

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: UTU-012450	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: Big Indian Unit	
2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc.				9. WELL NAME and NUMBER: Big Indian Fed 15-24B-30-25	
3. ADDRESS OF OPERATOR: 370 17th Street, Suite 1700 Denver CITY STATE CO ZIP 80202				PHONE NUMBER: (720) 876-5339	10. FIELD AND POOL, OR WILDCAT: Big Indian (South) 140
4. LOCATION OF WELL (FOOTAGES) 661688X 4227025Y 38.178505 -109.154034 AT SURFACE: 2461' FNL & 417' FWL 661550X 4227006Y 38.178354 -109.155607 AT PROPOSED PRODUCING ZONE: 2523' FNL & 38' FEL, Sec. 15, T30S R25E				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 14 30S 25E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 10.0 Miles SE of La Sal, Utah				12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 38' BHL		16. NUMBER OF ACRES IN LEASE: 160.0		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 563' BHL		19. PROPOSED DEPTH: 3,910		20. BOND DESCRIPTION: RLB0001191	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6638.1' GR		22. APPROXIMATE DATE WORK WILL START: 5/15/2008		23. ESTIMATED DURATION: 30 Days	

24.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4	9 5/8	J-55	36#	2,400	Class G + 2% gel	700sx	2.09 cuft/sx	12.5#
7 7/8	5 1/2	I-80	17#	3,961	Class G + 2% gel	450sx	1.43 cuft/sx	13#

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst  
SIGNATURE [Signature] DATE 1/22/08

(This space for State use only)

API NUMBER ASSIGNED: 43-037-31883

Approved by the  
Utah Division of  
Oil, Gas and Mining

APPROVAL:

Date: 01-28-08  
By: [Signature]

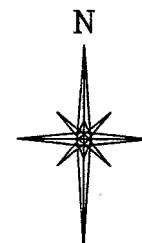
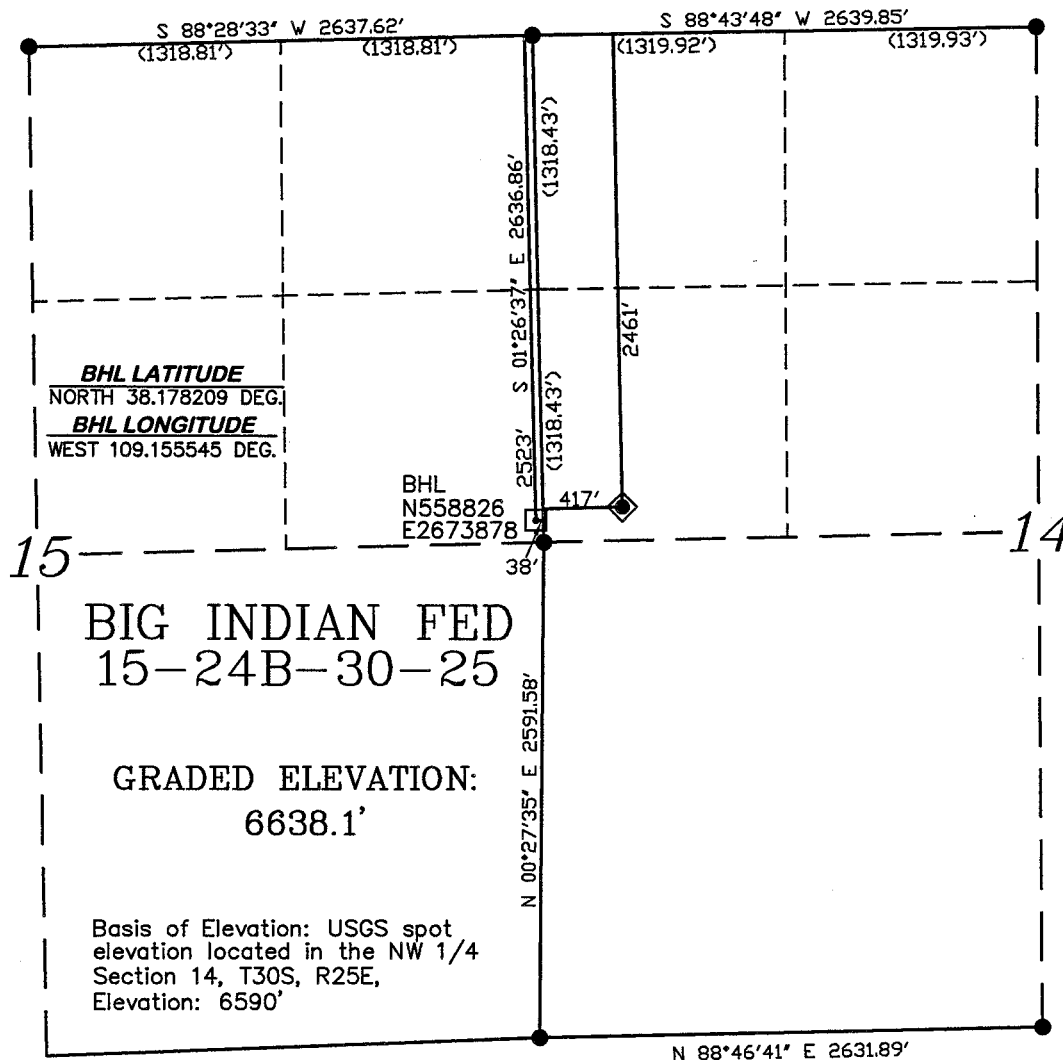
(See Instructions on Reverse Side)

RECEIVED

JAN 23 2008

DIV. OF OIL, GAS & MINING

**R. 25 E.**



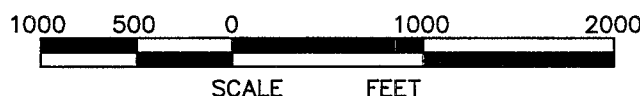
SCALE: 1" = 1000'

**T. 30 S.**

**LATITUDE (NAD 27)**  
NORTH 38.178376 DEG.  
**LONGITUDE (NAD 27)**  
WEST 109.153963 DEG.  
**LATITUDE (NAD 83)**  
NORTH 38.178366 DEG.  
**LONGITUDE (NAD 83)**  
WEST 109.154628 DEG.

**NORTHING**  
558897.81  
**EASTING**  
2674331.12

**DATUM**  
SPCS UT SOUTH (NAD 27)



**SURVEYOR'S STATEMENT**

I, Brian L. Forbes, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on OCTOBER 18, 2007, and it correctly shows the location of BIG INDIAN FED 15-24B-30-25.

**NOTES**

- ◆ WELL LOCATION
- FOUND MONUMENT (BC)
- APPROXIMATE BHL

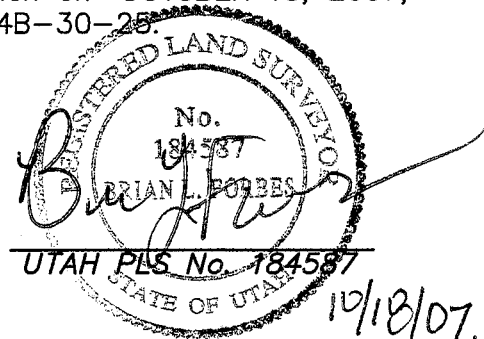


EXHIBIT 1



**DRIFFIN & ASSOCIATES, INC.**

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

SCALE: 1" = 1000'  
JOB No. 15043  
DATE: 10/18/07

**PLAT OF DRILLING LOCATION  
FOR  
ENCANA OIL & GAS (USA) INC.**

**2461' F/NL & 417' F/WL, SECTION 14,  
T. 30 S., R. 25 E., SALT LAKE B.M.  
SAN JUAN COUNTY, UTAH**



EnCana Oil & Gas (USA) Inc.

EnCana Oil & Gas (USA) Inc. tel: 720-876-5339  
370 – 17<sup>th</sup> Street  
Suite 1700 fax: 720-876-6339  
Denver, CO 80202

[www.encana.com](http://www.encana.com)

January 21, 2008

Diana Mason  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

RE: Big Indian Fed 15-24B-30-25  
Section 14 & 15, T30S R25E  
San Juan County, UT

Dear Ms. Mason:

EnCana Oil & Gas (USA) Inc. is requesting approval to directionally drill the subject well per the Utah Department of Natural Resources, Division of Oil, Gas and Mining Applicable Rules R649-3-11. Please find the following information as required for our proposed Big Indian Fed 15-24B-30-25 application:

- EnCana Oil & Gas (USA) Inc., JVA Operating Co. Inc. & Tandem Energy Corp. own all oil & gas within 460' of the intended well bore.
- Surface and Bottom Hole located on BLM Lease No. UTU-12451 and within the Big Indian #3 Unit and the Big Indian (South) Field.
- BHL: SENE, Section 15, T30S R25E, San Juan County, Utah.
- Location plat with surface and bottom hole locations attached.
- Lease and Big Indian #3 Unit map attached.
- Proposed Directional Report attached.

EnCana is drilling this well as a directional well do to topographical and geologic conditions above the bottom hole target. The BLM is aware of EnCana's surface and bottom hole locations as proposed for the subject well.

If you have any questions or need additional information, I can be reached at (720) 876-5339.

Sincerely, ~

Jevin Croteau  
Regulatory Analyst

Attachment



370 17th Street  
Suite 1700  
Denver, CO 80202

tel: (303) 623-2300  
fax: (303) 623-2400  
www.encana.com

**EnCana Oil & Gas (USA) Inc.**

December 12, 2007

Tandem Energy Corporation  
200 North Loraine, Suite 500  
Midland, TX 79701  
Attn: Todd M. Yocham

Re: Directional Drilling Consent  
Big Indian Fed 15-24B-30-25  
2,461' FNL, 417' FWL (SHL) Section 14  
2,523' FNL, 38' FEL (BHL) Section 15  
T30S-R25E  
San Juan County, Utah

Mr. Yocham:

EnCana Oil & Gas (USA) Inc. is proposing the drilling of the above captioned well. Due to topographical concerns and geologic reasons, the location for this well will require a directional drilling consent pursuant to the requirements of the Utah Oil & Gas Conservation Rules R649-3-11.

We propose the surface location at 2,461' FNL and 417' FWL, in Section 14, and bottom hole location at 2,523' FNL and 38' FEL, in Section 15, both in Township 30 South, Range 25 East, San Juan County, Utah.

In accordance with the above referenced rules, please indicate your consent to the directional drilling of the Big Indian Fed 15-24B-30-25 well by signing in the space provided below and returning one signed original to the undersigned. For your convenience, and also to expedite this process, please also send a copy via fax to (720) 876-6361. Please call me at (720) 876-5361 if you have any questions or concerns.

Very truly yours,  
ENCANA OIL & GAS (USA) INC.

Oscar Duarte  
Land Negotiator

Directional Drilling Consent for the Big Indian Fed 15-24B-30-25 well is hereby approved this 7<sup>th</sup> day of Jan., 2007. 8

By: Todd M. Yocham

Title: Sr. Vice President

Phone: 432-686-7136 ext. 1121



**EnCana Oil & Gas (USA) Inc.**

December 12, 2007

JVA Operating Company, Inc.  
P.O. Box 3634  
Midland, TX 79702  
Attn: Jerry V. Atkinson

370 17th Street  
Suite 1700  
Denver, CO 80202

(303) 623-2300  
(303) 623-2400  
www.encana.com

REC'D DEC 14 2007

Re: Directional Drilling Consent  
Big Indian Fed 15-24B-30-25  
2,461' FNL, 417' FWL (SHL) Section 14  
2,523' FNL, 38' FEL (BHL) Section 15  
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Very truly yours,  
ENCANA OIL & GAS (USA) INC.

Oscar Duarrie  
Land Negotiator

Directional Drilling Consent for the Big Indian Fed 15-24B-30-25 well is hereby approved this 18<sup>th</sup> day of Dec., 2007.

By: [Signature]

Title: Pres. JVA/Gundaluge

Phone: 505-336-1136

ONSHORE ORDER No. 1  
EnCana Oil & Gas (USA), Inc.  
**Big Indian Federal 15-24B-30-25**  
2461' FNL & 417' FWL (surface)  
Section 14-T30S-R25E  
2523' FNL & 38' FEL (bottom hole)  
Section 15-T30S-R25E  
San Juan County, Utah

Lease No. UTU-12450

**Drilling Program**

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**ONSHORE OIL & GAS ORDER NO. 1**

**Approval of Operations on Onshore**

**Federal and Indian Oil and Gas Leases**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

**1. FORMATION TOPS**

The estimated tops of important geologic markers are as follows:

<b>Formation</b>	<b>Depth (TVD)</b>	<b>Subsea</b>
Burro Canyon	Surface	+6648'
Morrison	545'	+6103'
Entrada	833'	+5815'
Navajo	1025'	+5623'
Kayenta	1728'	+4920'
Wingate	1933'	+4715'
Chinle/Cutler	2248'	+4400'
HKTR MKR 5	3008'	+3640'
HKTR MKR 1	3860'	+2788'
Total Depth	3910'	+2738'

**2. ANTICIPATED DEPTH OF WATER, OIL & GAS**

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations as expected to be encountered are as follows:

<b>Substance</b>	<b>Formation</b>	<b>Depth (TVD)</b>
Gas	HKTR MKR 5	3008'
Gas	HKTR MKR 1	3860'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the Durango Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

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If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

**3. BOP EQUIPMENT/REQUIREMENTS**

EnCana Oil & Gas (USA), Inc.'s minimum specification for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in

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order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

**4. CASING AND CEMENTING PROGRAMS**

- a. The BLM in Moab, Utah shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.
- b. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- c. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- d. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data).
- e. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- f. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- g. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- h. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- i. All indication of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- j. Surface casing shall have centralizers on the bottom 3 joints of casing (a minimum of one centralizer per joint starting with the shoe joint).



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- k. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- l. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective actions shall be taken.
- m. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- n. The proposed casing program will be as follows:

Purpose	Depth (MD)	Hole Size	O.D.	Weight	Grade	Type	New/Used
Surface	0'-2400'	12 1/4"	9-5/8"	36#	J-55	ST&C	New
Production	0'-3961'	7-7/8"	5-1/2"	17#	I-80	LT&C	New

Size	Burst (Psi)	Burst Safety Factor	Collapse (Psi)	Collapse Safety Factor	Body Yield (1000 lbs)	Joint Strength (1000 lbs)	Tension Safety Factor
9-5/8"	3520	1.0	2020	1.00	564	394	1.0
5-1/2"	7740	1.0	6280	1.00	397	338	1.0

- o. Casing design subject to revision based on geologic conditions encountered.
- p. The cement program will be as follows:

Surface	Type and Amount
0-2400'	Lead: 600 sx Class G 50/50 Poz + 2% gel, 2.09 cuft/sx yield, 12.5 ppg Tail: 100 sx Class G, 1.15 cuft/sx yield, 15.8 ppg
Production	Type and Amount
2100'-3961'	450 sx Class G 50/50 Poz, 1.43 cuft/sx yield, 13 ppg

- q. The BLM in Moab, Utah should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- r. After cementing but before commencing any test, the casing string shall stand cemented until

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the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

- s. The following reports shall be filed with the District Manager within 30 days after the work is completed.
  1. Progress reports, Form 3160-5, "Sundry Notices and Reports on Wells", must include complete information concerning:
    - i. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
    - ii. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
  - t. Auxiliary equipment to be used is as follows:
    1. Kelly cock
    2. No bit float is deemed necessary.
    3. A sub with a full opening valve.

**5. MUD PROGRAM**

- a. The proposed circulating mediums to be employed in drilling are as follows:

Interval (MD)	Mud Type	Mud Wt.	Visc.	F/L
0-2400'	Water	+/- 8.5	+/- 28	N.C.
2400'-TD	KCL, polymer	8.5-9.0	+/- 45-50	+/- 8

- b. Mud monitoring equipment to be used is as follows: Periodic checks of the mud system will be made each tour. The mud level will be checked visually.
  1. There will be sufficient mud on location to ensure well control.
  2. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss and Ph.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

**6. EVALUATION PROGRAM – TESTING, LOGGING AND CORING**

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific

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approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be reversed out of the testing string under controlled surface conditions. This would involve providing some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a DIL/CNL/LDT/GR/SP from TD to base of the surface casing.
- c. No whole cores are anticipated. Depending upon evaluation of the open hole logs, several sidewall cores may be obtained in formations of interest.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work over, and/or completions, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:

Perforate zones of interest, fracture stimulate as necessary and place on production.

**7. ABNORMAL PRESSURES AND H<sub>2</sub>S GAS**

- a. The maximum expected bottom hole pressure is 1300 psi (pressure gradient of 0.33 psi/ft). Source of pressure estimate was from data obtained for the Honaker Trail geological formation via pressures obtained in the Big Indian Unit #3 and #4 wells (#4 well is located within 1 mile of the proposed location).
- b. No hydrogen sulfide gas is anticipated, no abnormal pressures or temperatures are anticipated.
- c. As per Onshore Order No. 6, III.A.2.b., if hydrogen sulfide is present the "operator shall initially test the H<sub>2</sub>S concentration of the gas stream for each well or production facility ..." Submit the results of this test within 30 days of filing Form 3160-4, "Well Completion or Recompletion Report and Log".

**8. OTHER INFORMATION AND NOTIFICATION REQUIREMENTS**

- a. The BLM in Moab (435-259-2100) shall be notified at least 24 hours prior to:

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1. Spudding the well
  2. Running the casing strings and cementing
  3. BOP tests/casing pressured tests.
- b. Within 30 days of completion of the well as a dry hole or producer, a copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work over, and/or completions operations will be filed with a Completion Report (Form 3160-4), in triplicate. Submit casing/cementing reports and other subsequent reports via Sundry Notice Form 3160-5.
- c. In accordance with 43 CFR 3162.4-3, this well shall be reported on MMS Form 3160, "Monthly Report of Operations", starting with the month in which drilling operations commence, and continuing each month until the well is physically plugged and abandoned.
- d. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- e. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during the initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized period.
- f. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d), shall be submitted to the appropriate District Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4).
- g. Off-lease measurement and commingling of production must be approved by the authorized officer.
- h. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5<sup>th</sup> business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas

ONSHORE ORDER No. 1  
EnCana Oil & Gas (USA), Inc.  
**Big Indian Federal 15-24B-30-25**  
2461' FNL & 417' FWL (surface)  
Section 14-T30S-R25E  
2523' FNL & 38' FEL (bottom hole)  
Section 15-T30S-R25E  
San Juan County, Utah

Lease No. UTU-12450

**Drilling Program**

Page 8

Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

- i. The BLM in Moab (435-259-2100) shall be notified within 5 business days of production start-up if either of the following two conditions occur:
    1. The well is placed on production, or
    2. The well resumes production after being off of production for more than 90 days.

"Placed on production" means shipment or sales of hydrocarbons from temporary tanks, production into permanent facilities or measurement through permanent facilities. Notification may be written or verbal with written follow-up within 15 days.
  - j. Drilling is planned to commence upon approval. Completion will begin approximately 30 days after drilling is completed.
  - k. It is anticipated that the drilling of this well will take approximately 10-15 days.
  - l. No location will be constructed or moved, no well will be plugged, and no drilling or work over equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
  - m. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
  - n. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
  - o. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- If underground injection is proposed, an EPA or State UIC permit shall also be required and submitted to this office.
- p. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
  - q. As per 43 CFR 3162.6, each drilling producing or abandoned well shall be identified with the operator's name, the lease serial number, the well number, and the surveyed description of the well (either footages or the quarter-quarter section, the section, township and range). The Indian lessor's name may also be required. All markings shall be legible

ONSHORE ORDER No. 1  
EnCana Oil & Gas (USA), Inc.  
**Big Indian Federal 15-24B-30-25**  
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Section 14-T30S-R25E  
2523' FNL & 38' FEL (bottom hole)  
Section 15-T30S-R25E  
San Juan County, Utah

Lease No. UTU-12450

**Drilling Program**

Page 9

and in a conspicuous place.

r. Bureau of Land Management, Moab Field Office Address and Contacts:

Address: 82 East Dogwood Ave. Phone: 435-259-2100  
Moab, Utah 84532

Business Hours: 7:45 a.m. to 4:30 p.m. (Mountain Time), Mon-Fri.

After Hours:

Eric Jones	Petroleum Engineer	435-259-2117
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JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Water Rights

MICHAEL R. STYLER  
Executive Director

JERRY D. OLDS  
State Engineer/Division Director

## ORDER OF THE STATE ENGINEER

### For Temporary Change Application Number 05-6 (t32868)

Temporary Change Application Number 05-6 (t32868) in the name of Charles Hardison Redd was filed on April 19, 2007, to change the point of diversion, place of use, and change the nature of use of 20.00 acre-feet of water as evidenced by Water Right Number 05-6. Heretofore, the water has been diverted from a surface source located North 3420 feet and West 2851 feet from the SE Corner of Section 7, T28S, R25E, SLB&M. The water has been used for the irrigation of 5.00 acres from April 1 to October 31. The water was used in all or portion(s) of Section 35, T28S, R25E, SLB&M; Sections 2, 11, T29S, R24E, SLB&M.

Hereafter, it is proposed to divert 20.00 acre-feet of water from a surface source located North 712 feet and East 627 feet from the SW Corner of Section 8, T28S, R25E, SLB&M. The water is to be used for drilling for oil and gas wells, road construction and maintenance. The place of use of the water is being changed to all or parts of Section 2, 8, 11, 14, 27, T29S, R24E, SLB&M; Section 8, T29S, R26E, SLB&M; Section 4, 9, 10, 14, 15, T30S, R25E, SLB&M.

Notice of this temporary change application was not published in a newspaper. It is the opinion of the State Engineer that it meets the criteria of Section 73-3-3 of the Utah Code for the approval of temporary change applications.

In evaluating the various elements of the underlying rights, it is not the intention of the State Engineer to adjudicate the extent of these rights, but rather to provide sufficient definition of the rights to assure that other vested rights are not impaired by the change and/or no enlargement occurs. If, in a subsequent action, the court adjudicates that this right is entitled to either more or less water, the State Engineer will adjust the figures accordingly.

It is, therefore, **ORDERED** and Temporary Change Application Number 05-6 (t32868) is hereby **APPROVED** subject to prior rights.

**This temporary change application shall expire one year from the date hereof.**

**It is the applicant's responsibility to maintain a current address with this office and to update ownership of their water right. Please notify this office immediately of any change of address or for assistance in updating ownership.**

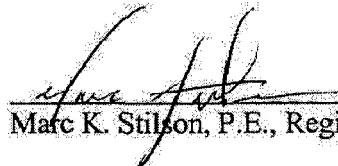
The applicant is advised to contact the Stream Alteration Section of the Division of Water Rights to ascertain if a Stream Alteration permit is required for this Temporary Change Application.

Your contact with this office, should you need it, is with the Southeastern Regional Office. The telephone number is 435-637-1303.

ORDER OF THE STATE ENGINEER  
Temporary Change Application Number  
05-6 (132868)  
Page 2

This Order is subject to the provisions of Administrative Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code which provide for filing either a Request for Reconsideration with the State Engineer or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this Order. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Dated this 26 day of April, 2007.

  
\_\_\_\_\_  
Marc K. Stilson, P.E., Regional Engineer

Mailed a copy of the foregoing Order this 26 day of April, 2007 to:

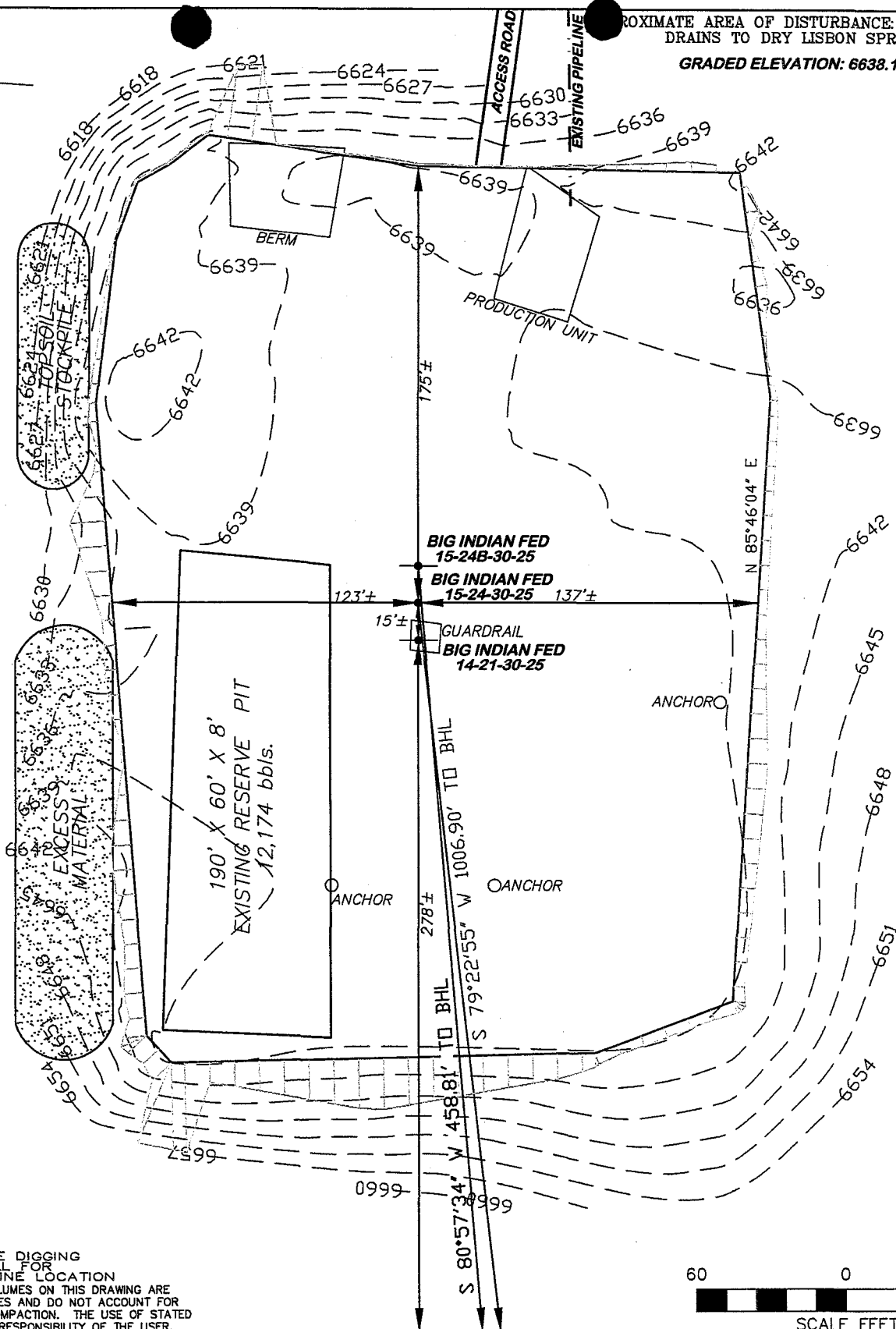
Charles Hardison Redd  
P.O.Box 247  
La Sal UT 84530

Stream Alteration Section  
Division of Water Rights



APPROXIMATE AREA OF DISTURBANCE: 2.5± ACRES  
DRAINS TO DRY LISBON SPRING

GRADED ELEVATION: 6638.1'



BEFORE DIGGING  
CALL FOR  
UTILITY LINE LOCATION  
NOTE: THE STATED VOLUMES ON THIS DRAWING ARE  
ESTIMATED BANK VOLUMES AND DO NOT ACCOUNT FOR  
SUBSEQUENT SWELL OR COMPACTION. THE USE OF STATED  
VOLUMES IS THE SOLE RESPONSIBILITY OF THE USER.

**DRG** RIFFIN & ASSOCIATES, INC.

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

ADDED WELL (15-24B)

JOB No. 15043

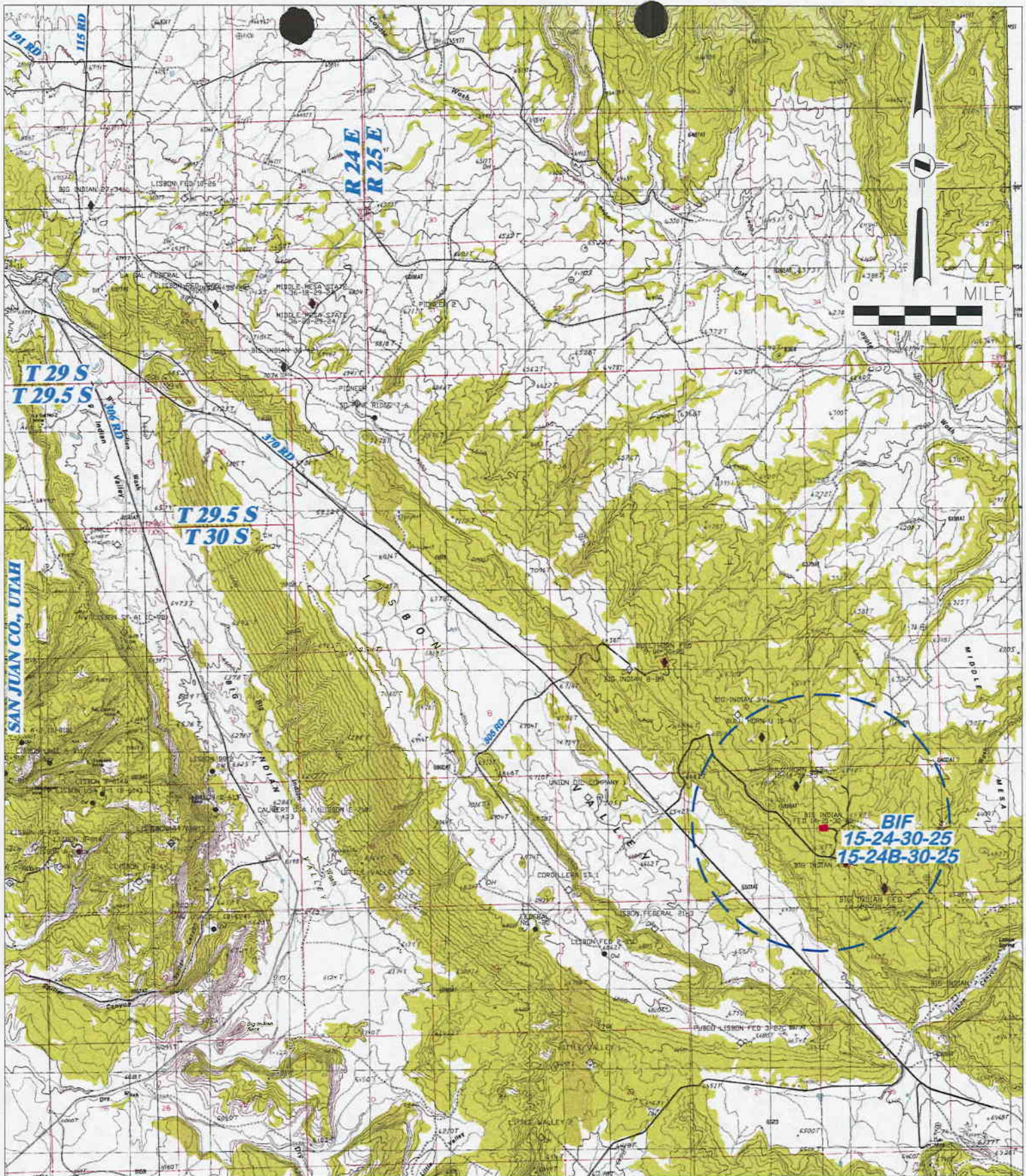
REVISED: 10/18/07

**ENCANA OIL & GAS (USA) INC.**  
**BIG INDIAN FED 15-24, 24B-30-25**

SCALE: 1" = 60'

EXHIBIT 2A





**DRG** RIFFIN & ASSOCIATES, INC.

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

ADDED WELL (15-24B)

SCALE: 1" = 1 MILE

JOB No. 15043

REVISED: 10/18/07

**PROPOSED ACCESS FOR  
ENCANA OIL & GAS (USA) INC.  
BIG INDIAN FED 15-24, 24B-30-25**

EXISTING ROAD ———  
STAKED ROAD - - - - -

**TOPO MAP  
A**



**RIFFIN & ASSOCIATES, INC.**

**1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028**

**ADDED WELL (15-24B)**

**SCALE: 1" = 2000'**

**JOB No. 15043**

**REVISED: 10/18/07**

**PROPOSED ACCESS ROAD FOR  
ENCANA OIL & GAS (USA) INC.  
BIG INDIAN FED 15-24, 24B-30-25**

**ACCESS: UTILIZE ACCESS ROAD FOR BIG INDIAN FED 14-21-30-25**

**EXISTING ROAD**

## STAKED ROAD

**TOPO MAP**  
**B**





**WELL LOCATION LOOKING NORTH**



**WELL LOCATION LOOKING SOUTH**



**WELL LOCATION LOOKING EAST**



**WELL LOCATION LOOKING WEST**

**DRG** RIFFIN & ASSOCIATES, INC.

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

JOB No. 15043

REVISED: 10/18/07

**ENCANA OIL & GAS (USA) INC.**  
**BIG INDIAN FED 15-24, 24B-30-25**

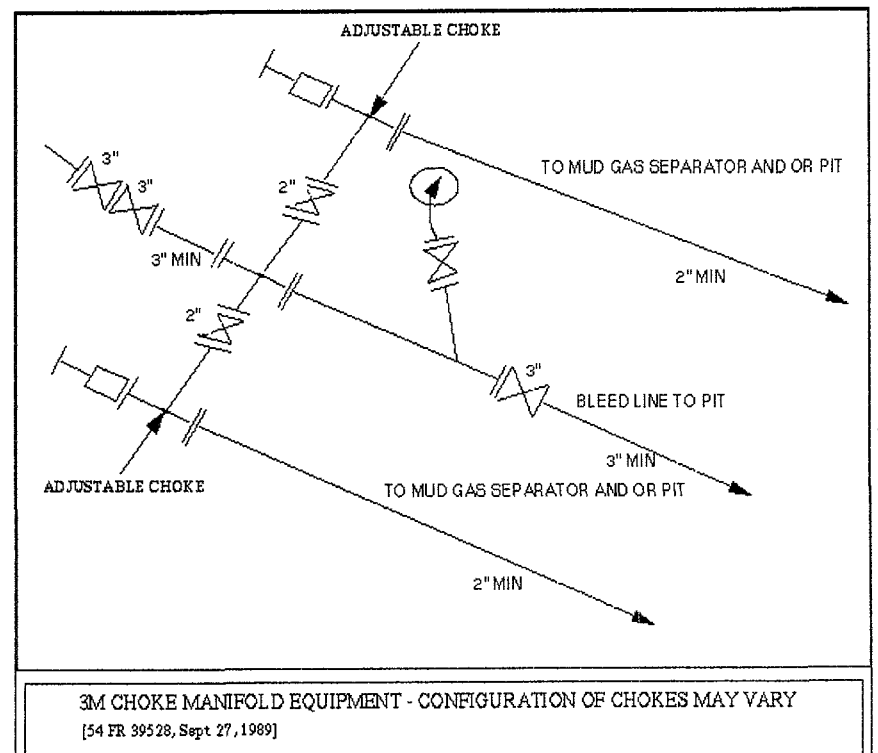
**EXHIBIT 6**

3M ANNULAR

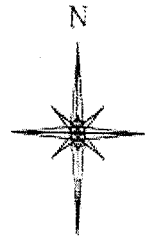
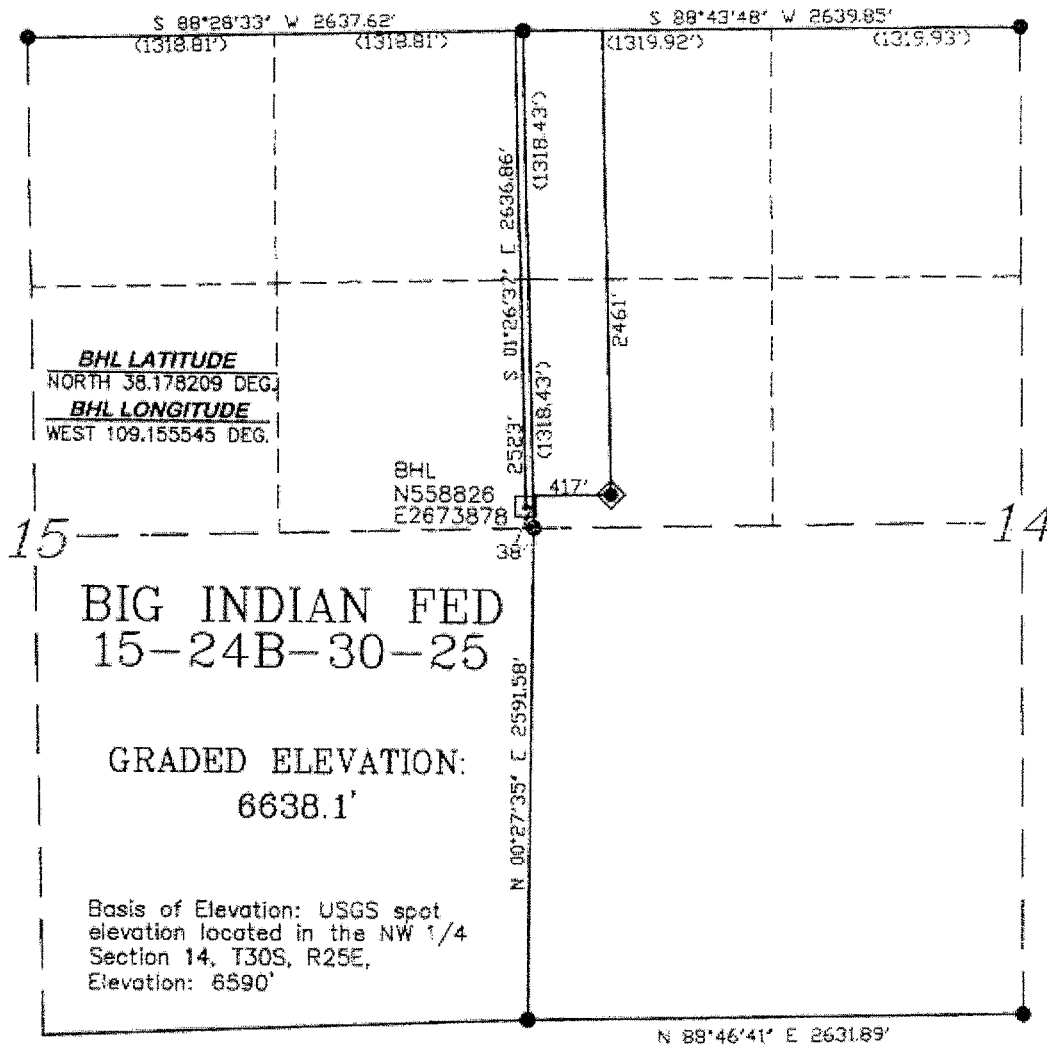
3M DOUBLE RAM BOP

3" CHOKE LINE FROM  
OUTLET ON BOTTOM  
SIDE OF RAMS

2" KILL LINE



**R. 25 E.**



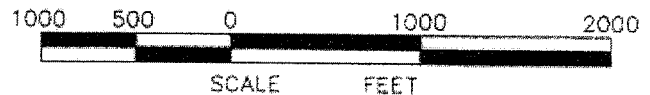
SCALE: 1" = 1000'

**T. 30 S.**

**LATITUDE (NAD 27)**  
NORTH 38.178376 DEG.  
**LONGITUDE (NAD 27)**  
WEST 109.153963 DEG.  
**LATITUDE (NAD 83)**  
NORTH 38.178366 DEG.  
**LONGITUDE (NAD 83)**  
WEST 109.154628 DEG.

**NORTHING**  
558897.81  
**EASTING**  
2674331.12

**DATUM**  
SPCS UT SOUTH (NAD 27)



**SURVEYOR'S STATEMENT**

I, Brian L. Forbes, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on OCTOBER 18, 2007, and it correctly shows the location of BIG INDIAN FED 15-24B-30-25.

**NOTES**

- ◆ WELL LOCATION
- FOUND MONUMENT (BC)
- APPROXIMATE BHL

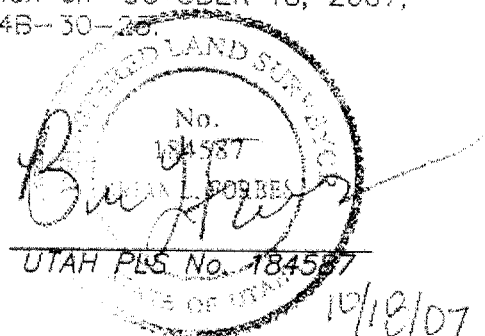


EXHIBIT 1



**DRIFFIN & ASSOCIATES, INC.**

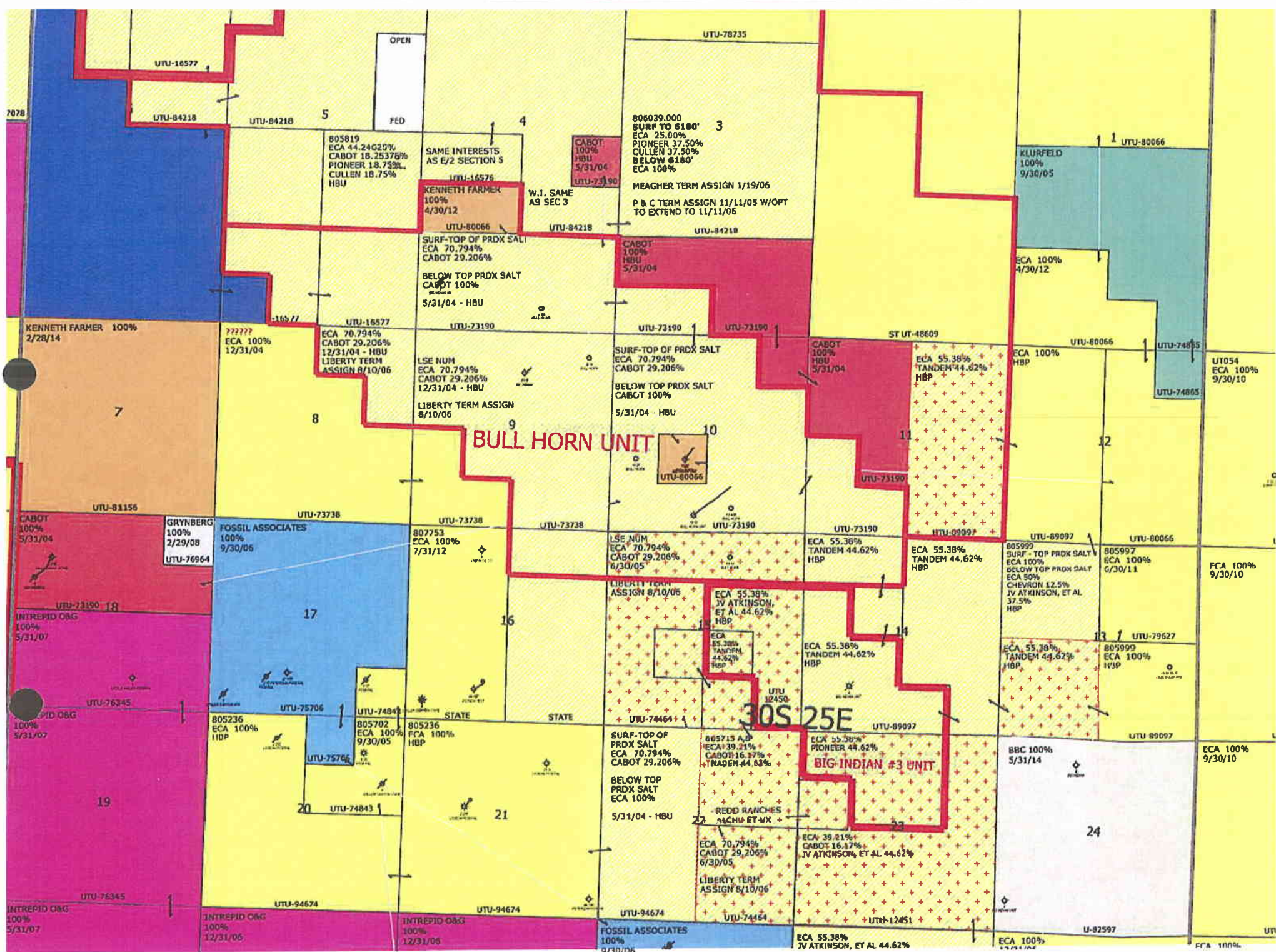
**PLAT OF DRILLING LOCATION  
FOR  
ENCANA OIL & GAS (USA) INC.**

**2461' F/NL & 417' F/WL, SECTION 14,  
T. 30 S., R. 25 E., SALT LAKE B.M.  
SAN JUAN COUNTY, UTAH**

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

SCALE: 1" = 1000'  
JOB No. 15043  
DATE: 10/18/07





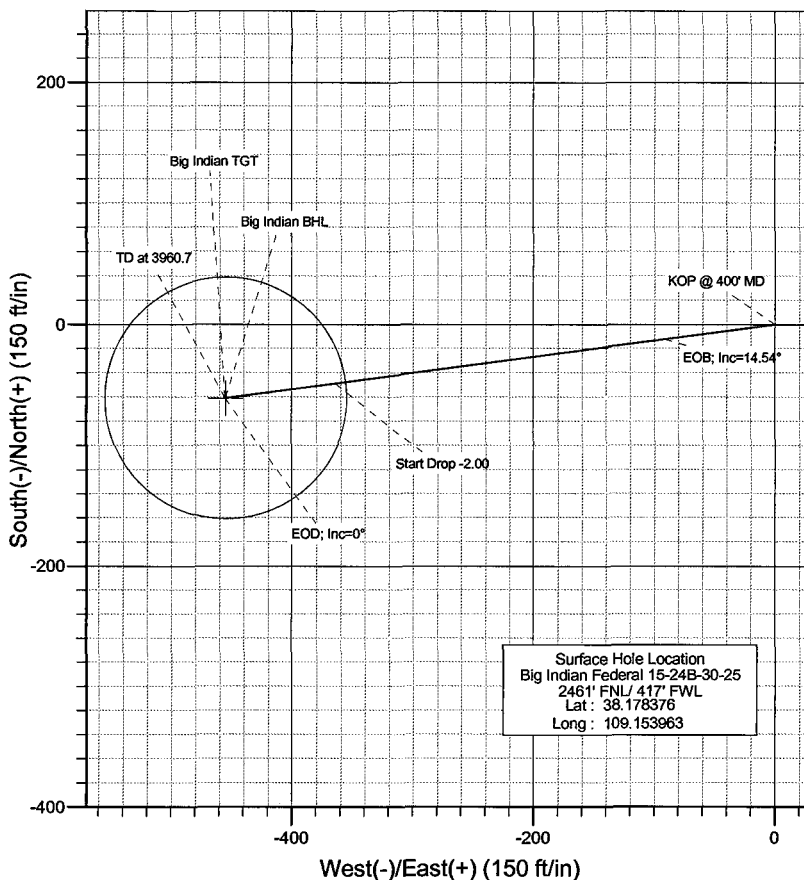
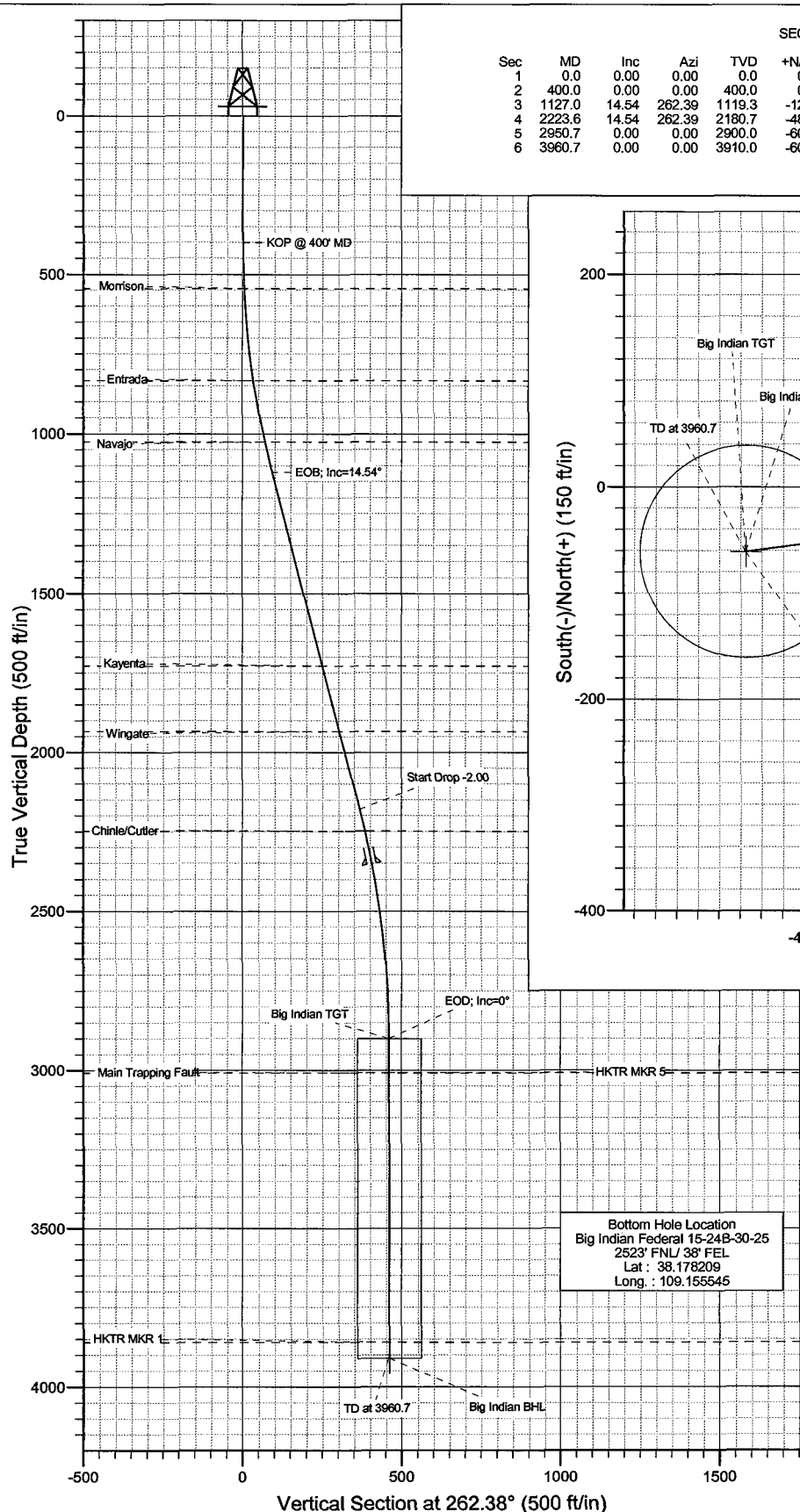


Project: Paradox (Nad 27)  
 Site: NESW S14-T30S-R25E  
 Well: Big Indian Federal 15-24B-30-25  
 Wellbore: DD  
 Design: Plan #1



#### SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.0	
3	1127.0	14.54	262.39	1119.3	-12.2	-91.0	2.00	262.39	91.8	
4	2223.6	14.54	262.39	2180.7	-48.6	-363.8	0.00	0.00	367.1	
5	2950.7	0.00	0.00	2900.0	-60.8	-454.8	2.00	180.00	458.8	Big Indian TGT
6	3960.7	0.00	0.00	3910.0	-60.8	-454.8	0.00	0.00	458.8	Big Indian BHL



Azimuths to True North  
 Magnetic North: 11.09°

Magnetic Field  
 Strength: 51727.1snT  
 Dip Angle: 64.51°  
 Date: 11/30/2007  
 Model: IGRF200510

#### FORMATION TOP DETAILS

TVDPath	MDPath	Formation
545.0	545.1	Morrison
833.0	834.7	Entrada
1025.0	1030.1	Navajo
1728.0	1755.9	Kayenta
1933.0	1967.7	Wingate
2248.0	2292.9	Chinle/Cutler
3008.0	3058.7	HKTR MKR 5
3008.0	3058.7	Main Trapping Fault
3860.0	3910.7	HKTR MKR 1

#### DESIGN DETAILS: Plan #1

75XXX; BAO  
 KBE @ 6648.0ft (Original Well Elev)

Target	Azimuth	Origin	N/S	E/W	From TVD
Big Indian BHL	262.38	Slot	0.0	0.0	0.0



# Cathedral Energy Services

## Planning Report

**Database:** EDM 2003.16 US Multi User Db  
**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Paradox (Nad 27)  
**Site:** NESW S14-T30S-R25E  
**Well:** Big Indian Federal 15-24B-30-25  
**Wellbore:** DD  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well Big Indian Federal 15-24B-30-25  
**TVD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**MD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

**Project** Paradox (Nad 27)

**Map System:** US State Plane 1927 (Exact solution)  
**Geo Datum:** NAD 1927 (NADCON CONUS)  
**Map Zone:** Utah South 4303

**System Datum:** Mean Sea Level

**Site** NESW S14-T30S-R25E

<b>Site Position:</b>		<b>Northing:</b>	558,897.93 ft	<b>Latitude:</b>	38.178376
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,674,331.11 ft	<b>Longitude:</b>	-109.153963
<b>Position Uncertainty:</b>	0.0 ft	<b>Slot Radius:</b>	"	<b>Grid Convergence:</b>	1.44 °

**Well** Big Indian Federal 15-24B-30-25

<b>Well Position</b>	<b>+N/-S</b>	0.0 ft	<b>Northing:</b>	558,897.92 ft	<b>Latitude:</b>	38.178376
	<b>+E/-W</b>	0.0 ft	<b>Easting:</b>	2,674,331.11 ft	<b>Longitude:</b>	-109.153963
<b>Position Uncertainty</b>		0.0 ft	<b>Wellhead Elevation:</b>	ft	<b>Ground Level:</b>	6,638.0 ft

**Wellbore** DD

<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF200510	11/30/2007	11.09	64.51	51,727

**Design** Plan #1

**Audit Notes:**

**Version:** Phase: PLAN Tie On Depth: 0.0

<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	262.38

### Plan Sections

<b>Measured Depth (ft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Dogleg Rate (°/100ft)</b>	<b>Build Rate (°/100ft)</b>	<b>Turn Rate (°/100ft)</b>	<b>TFO (°)</b>	<b>Target</b>
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,127.0	14.54	262.39	1,119.3	-12.2	-91.0	2.00	2.00	0.00	262.39	
2,223.6	14.54	262.39	2,180.7	-48.6	-363.8	0.00	0.00	0.00	0.00	
2,950.7	0.00	0.00	2,900.0	-60.8	-454.8	2.00	-2.00	0.00	180.00	Big Indian TGT
3,960.7	0.00	0.00	3,910.0	-60.8	-454.8	0.00	0.00	0.00	0.00	Big Indian BHL

# Cathedral Energy Services

## Planning Report

**Database:** EDM 2003.16 US Multi User Db  
**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Paradox (Nad 27)  
**Site:** NESW S14-T30S-R25E  
**Well:** Big Indian Federal 15-24B-30-25  
**Wellbore:** DD  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well Big Indian Federal 15-24B-30-25  
**TVD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**MD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	KOP @ 400' MD
500.0	2.00	262.39	500.0	-0.2	-1.7	1.7	2.00	2.00	
545.1	2.90	262.39	545.0	-0.5	-3.6	3.7	2.00	2.00	Morrison
600.0	4.00	262.39	599.8	-0.9	-6.9	7.0	2.00	2.00	
700.0	6.00	262.39	699.5	-2.1	-15.6	15.7	2.00	2.00	
800.0	8.00	262.39	798.7	-3.7	-27.6	27.9	2.00	2.00	
834.7	8.69	262.39	833.0	-4.4	-32.6	32.9	2.00	2.00	Entrada
900.0	10.00	262.39	897.5	-5.8	-43.1	43.5	2.00	2.00	
1,000.0	12.00	262.39	995.6	-8.3	-62.1	62.6	2.00	2.00	
1,030.1	12.60	262.39	1,025.0	-9.1	-68.4	69.0	2.00	2.00	Navajo
1,100.0	14.00	262.39	1,093.1	-11.3	-84.3	85.1	2.00	2.00	
1,127.0	14.54	262.39	1,119.3	-12.2	-91.0	91.8	2.00	2.00	EOB; Inc=14.54°
1,200.0	14.54	262.39	1,189.9	-14.6	-109.1	110.1	0.00	0.00	
1,300.0	14.54	262.39	1,286.7	-17.9	-134.0	135.2	0.00	0.00	
1,400.0	14.54	262.39	1,383.5	-21.2	-158.9	160.3	0.00	0.00	
1,500.0	14.54	262.39	1,480.3	-24.6	-183.8	185.4	0.00	0.00	
1,600.0	14.54	262.39	1,577.1	-27.9	-208.7	210.5	0.00	0.00	
1,700.0	14.54	262.39	1,673.9	-31.2	-233.5	235.6	0.00	0.00	
1,755.9	14.54	262.39	1,728.0	-33.1	-247.5	249.7	0.00	0.00	Kayenta
1,800.0	14.54	262.39	1,770.7	-34.5	-258.4	260.7	0.00	0.00	
1,900.0	14.54	262.39	1,867.5	-37.9	-283.3	285.8	0.00	0.00	
1,967.7	14.54	262.39	1,933.0	-40.1	-300.2	302.8	0.00	0.00	Wingate
2,000.0	14.54	262.39	1,964.3	-41.2	-308.2	310.9	0.00	0.00	
2,100.0	14.54	262.39	2,061.1	-44.5	-333.1	336.0	0.00	0.00	
2,200.0	14.54	262.39	2,157.9	-47.9	-358.0	361.1	0.00	0.00	
2,223.6	14.54	262.39	2,180.7	-48.6	-363.8	367.1	0.00	0.00	Start Drop -2.00
2,292.9	13.16	262.39	2,248.0	-50.8	-380.3	383.7	2.00	-2.00	Chinle/Cutler
2,300.0	13.01	262.39	2,254.9	-51.1	-381.9	385.3	2.00	-2.00	
2,397.2	11.07	262.39	2,350.0	-53.7	-402.0	405.6	2.00	-2.00	Surface casing
2,400.0	11.01	262.39	2,352.7	-53.8	-402.5	406.1	2.00	-2.00	
2,500.0	9.01	262.39	2,451.2	-56.1	-419.7	423.5	2.00	-2.00	
2,600.0	7.01	262.39	2,550.2	-58.0	-433.6	437.4	2.00	-2.00	
2,700.0	5.01	262.39	2,649.6	-59.3	-443.9	447.9	2.00	-2.00	
2,800.0	3.01	262.39	2,749.4	-60.3	-450.9	454.9	2.00	-2.00	
2,900.0	1.01	262.39	2,849.3	-60.7	-454.4	458.4	2.00	-2.00	
2,950.7	0.00	0.00	2,900.0	-60.8	-454.8	458.8	2.00	-2.00	EOD; Inc=0° - Big Indian TGT
3,000.0	0.00	0.00	2,949.3	-60.8	-454.8	458.8	0.00	0.00	
3,058.7	0.00	0.00	3,008.0	-60.8	-454.8	458.8	0.00	0.00	Main Trapping Fault - HKTR MKR 5
3,100.0	0.00	0.00	3,049.3	-60.8	-454.8	458.8	0.00	0.00	
3,200.0	0.00	0.00	3,149.3	-60.8	-454.8	458.8	0.00	0.00	
3,300.0	0.00	0.00	3,249.3	-60.8	-454.8	458.8	0.00	0.00	
3,400.0	0.00	0.00	3,349.3	-60.8	-454.8	458.8	0.00	0.00	
3,500.0	0.00	0.00	3,449.3	-60.8	-454.8	458.8	0.00	0.00	
3,600.0	0.00	0.00	3,549.3	-60.8	-454.8	458.8	0.00	0.00	
3,700.0	0.00	0.00	3,649.3	-60.8	-454.8	458.8	0.00	0.00	
3,800.0	0.00	0.00	3,749.3	-60.8	-454.8	458.8	0.00	0.00	
3,900.0	0.00	0.00	3,849.3	-60.8	-454.8	458.8	0.00	0.00	
3,910.7	0.00	0.00	3,860.0	-60.8	-454.8	458.8	0.00	0.00	HKTR MKR 1

# Cathedral Energy Services

## Planning Report

**Database:** EDM 2003.16 US Multi User Db  
**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Paradox (Nad 27)  
**Site:** NESW S14-T30S-R25E  
**Well:** Big Indian Federal 15-24B-30-25  
**Wellbore:** DD  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well Big Indian Federal 15-24B-30-25  
**TVD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**MD Reference:** KBE @ 6648.0ft (Original Well Elev)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
3,960.7	0.00	0.00	3,910.0	-60.8	-454.8	458.8	0.00	0.00	TD at 3960.7 - Big Indian BHL

### Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Big Indian BHL - hit/miss target - Circle (radius 100.0)	0.00	0.00	3,910.0	-60.8	-454.8	558,825.73	2,673,878.01	38.178209	-109.155545
Big Indian TGT - plan hits target - Circle (radius 100.0)	0.00	0.00	2,900.0	-60.8	-454.8	558,825.73	2,673,877.98	38.178209	-109.155545

### Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
2,397.2	2,350.0	Surface casing	0	0

### Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
545.1	545.0	Morrison			
834.7	833.0	Entrada			
1,030.1	1,025.0	Navajo			
1,755.9	1,728.0	Kayenta			
1,967.7	1,933.0	Wingate			
2,292.9	2,248.0	Chinle/Cutler			
3,058.7	3,008.0	Main Trapping Fault			
3,058.7	3,008.0	HKTR MKR 5			
3,910.7	3,860.0	HKTR MKR 1			

### Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
400.0	400.0	0.0	0.0	KOP @ 400' MD
1,127.0	1,119.3	-12.2	-91.0	EOB; Inc=14.54°
2,223.6	2,180.7	-48.6	-363.8	Start Drop -2.00
2,950.7	2,900.0	-60.8	-454.8	EOD; Inc=0°
3,960.7	3,910.0	-60.8	-454.8	TD at 3960.7

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/23/2008

API NO. ASSIGNED: 43-037-31883

WELL NAME: BIG INDIAN FED 15-24B-30-25  
OPERATOR: ENCANA OIL & GAS (USA) ( N2175 )  
CONTACT: JEVIN CROTEAU

PHONE NUMBER: 720-876-5339

PROPOSED LOCATION:

SWNW 14 300S 250E  
SURFACE: 2461 FNL 0417 FWL  
BOTTOM: 2523 FNL 0038 FEL *SENE*  
COUNTY: SAN JUAN  
LATITUDE: 38.17851 LONGITUDE: -109.1540  
UTM SURF EASTINGS: 661688 NORTHINGS: 4227025  
FIELD NAME: BIG INDIAN (HERMOSA) ( 290 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU-012450  
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: HNKRT  
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. RLB0001191 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 05-6 )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

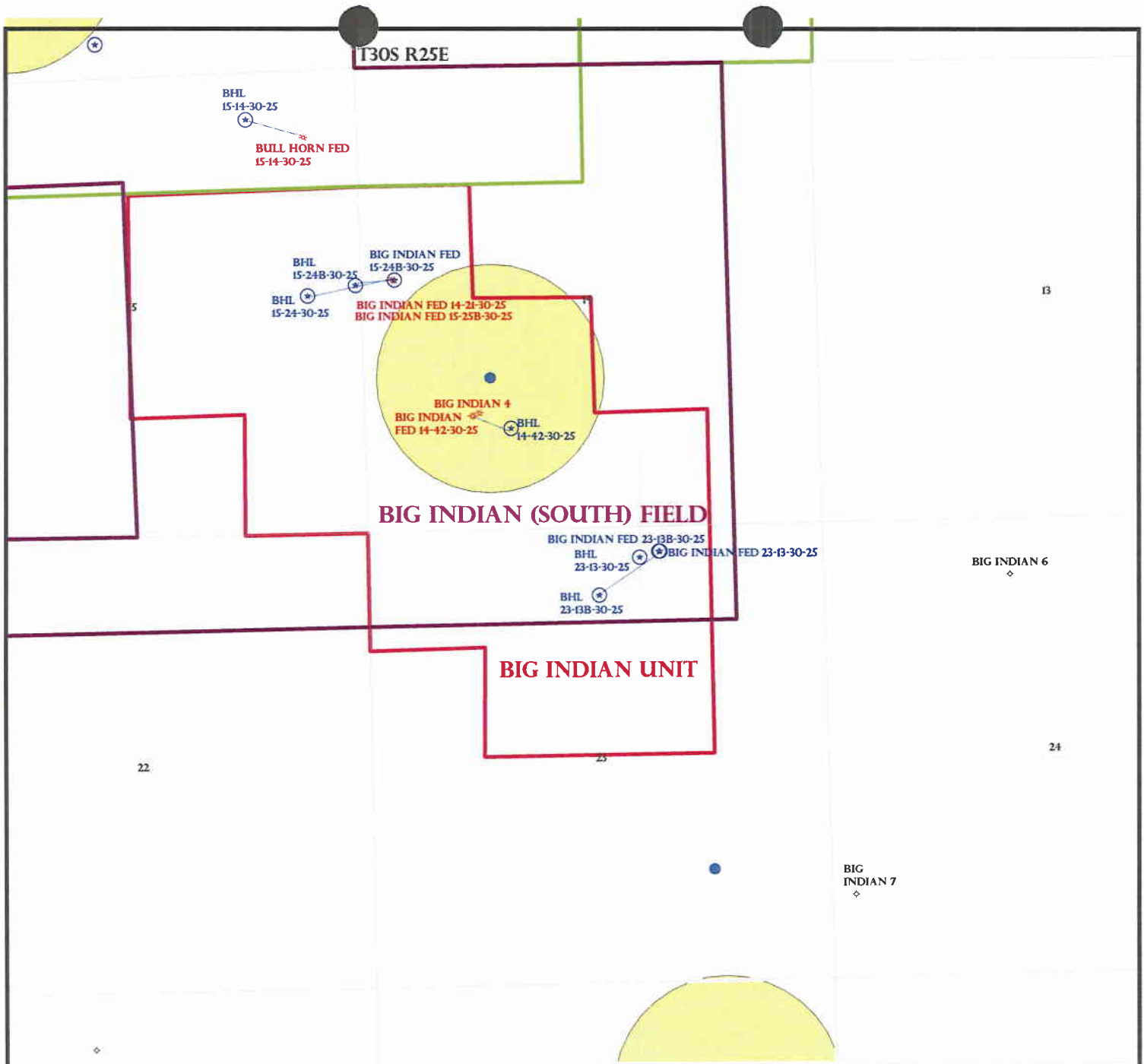
LOCATION AND SITING:

       R649-2-3.  
Unit: BIG INDIAN  
       R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
       R649-3-3. Exception  
       Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☒ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Feden Approved*  
*2- Spacing Strip*



OPERATOR: ENCANA O&G USA INC (N2175)

SEC: 14,23 T.30S R. 25E

FIELD: BIG INDIAN (SOUTH) (290)

COUNTY: SAN JUAN

SPACING: R649-3-11 / DIRECTIONAL DRILLING

#### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

#### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

#### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 24-JANUARY-2008

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

January 25, 2008

Memorandum

To: Assistant Field Office Manager Resources,  
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Big Indian Unit, San  
Juan County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Big Indian Unit, San Juan County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Honaker Trail)

43-037-31883	Big Indian Fed 15-24B-30-25	Sec 14 T30S R25E 2461 FNL 0417 FWL
	BHL Sec 15 T30S R25E 2523 FNL 0038 FEL	

43-037-31884	Big Indian Fed 23-13B-30-25	Sec 23 T30S R25E 0338 FNL 1874 FEL
	BHL Sec 23 T30S R25E 0834 FNL 2585 FEL	

43-037-31885	Big Indian Fed 23-13-30-25	Sec 23 T30S R25E 0340 FNL 1889 FEL
	BHL Sec 23 T30S R25E 0404 FNL 2110 FEL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Bull Horn Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:1-25-08



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

January 28, 2008

Encana Oil & Gas (USA) Inc.  
370 17th St., Ste. 1700  
Denver, CO 80202

Re: Big Indian Fed 15-24B-30-25 Well, Surface Location 2461' FNL, 417' FWL, SW NW, Sec. 14, T. 30 South, R. 25 East, Bottom Location 2523' FNL, 38' FEL, SE NE, Sec. 15, T. 30 South, R. 25 East, San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31883.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: San Juan County Assessor  
Bureau of Land Management, Moab Office

Operator: Encana Oil & Gas (USA) Inc.  
Well Name & Number Big Indian Fed 15-24B-30-25  
API Number: 43-037-31883  
Lease: UTU-012450

Surface Location: SW NW      Sec. 14      T. 30 South      R. 25 East  
Bottom Location: SE NE      Sec. 15      T. 30 South      R. 25 East

### Conditions of Approval

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281      (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010

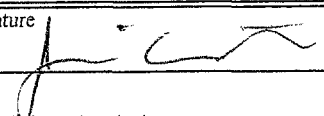
5. Lease Serial No. **UTU-12450** **UTU089097**  
6. If Indian, Allottee or Tribe Name  
**2008 JUN 23 PM 1:41**

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>Big Indian, UTU-063039X</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>Big Indian Fed 15-24B-30-25</b>
2. Name of Operator <b>EnCana Oil &amp; Gas (USA) Inc.</b>		9. API Well No. <b>4303731883</b>
3a. Address <b>370 17th St., Suite 1700, Denver CO 80202</b>	3b. Phone No. (include area code) <b>720-876-5339</b>	10. Field and Pool, or Exploratory <b>Big Indian (South)</b>
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface <b>2461' FNL &amp; 417' FWL</b> At proposed prod. zone <b>SENE Sec. 15, 30S 25E, 2523' FNL &amp; 38' FEL</b>		11. Sec., T., R., M., or Blk. And Survey or Area <b>Sec. 14, T30S-R25E</b>
14. Distance in miles and direction from nearest town or post office* <b>Approximately 10.0 Miles SE of La Sal, UT</b>		12. County or Parish <b>San Juan</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)		13. State <b>Utah</b>
<b>38'</b> <b>1205'</b>		17. Spacing Unit dedicated to this well <b>40 acres</b>
16. No. of Acres in lease <b>160.00</b>		20. BLM/ BIA Bond No. on file <b>UT1005</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>563'</b>		19. Proposed Depth <b>3910' TVD</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>6638.1' GR</b>		23. Estimated Duration <b>30 Days</b>
22. Approximate date work will start* <b>May, 2008</b>		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- |  |  |
|--|--|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by existing bond on file (see item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/ or plans as may be required by the BLM.         |

25. Signature 	Name (Printed/ Typed) <b>Jevin Croteau</b>	Date <b>1/22/08</b>
Title <b>Regulatory Analyst</b>		
Approved By (Signature) <b>/s/ A. Lynn Jackson</b>	Name (Printed/ Typed) <b>/s/ A. Lynn Jackson</b>	Date <b>6/5/08</b>
Title <b>Assistant Field Manager, Division of Resources</b>	Office <b>Division of Resources Moab Field Office</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

(Instructions on page 2)

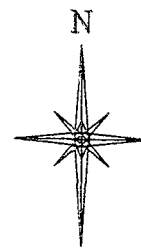
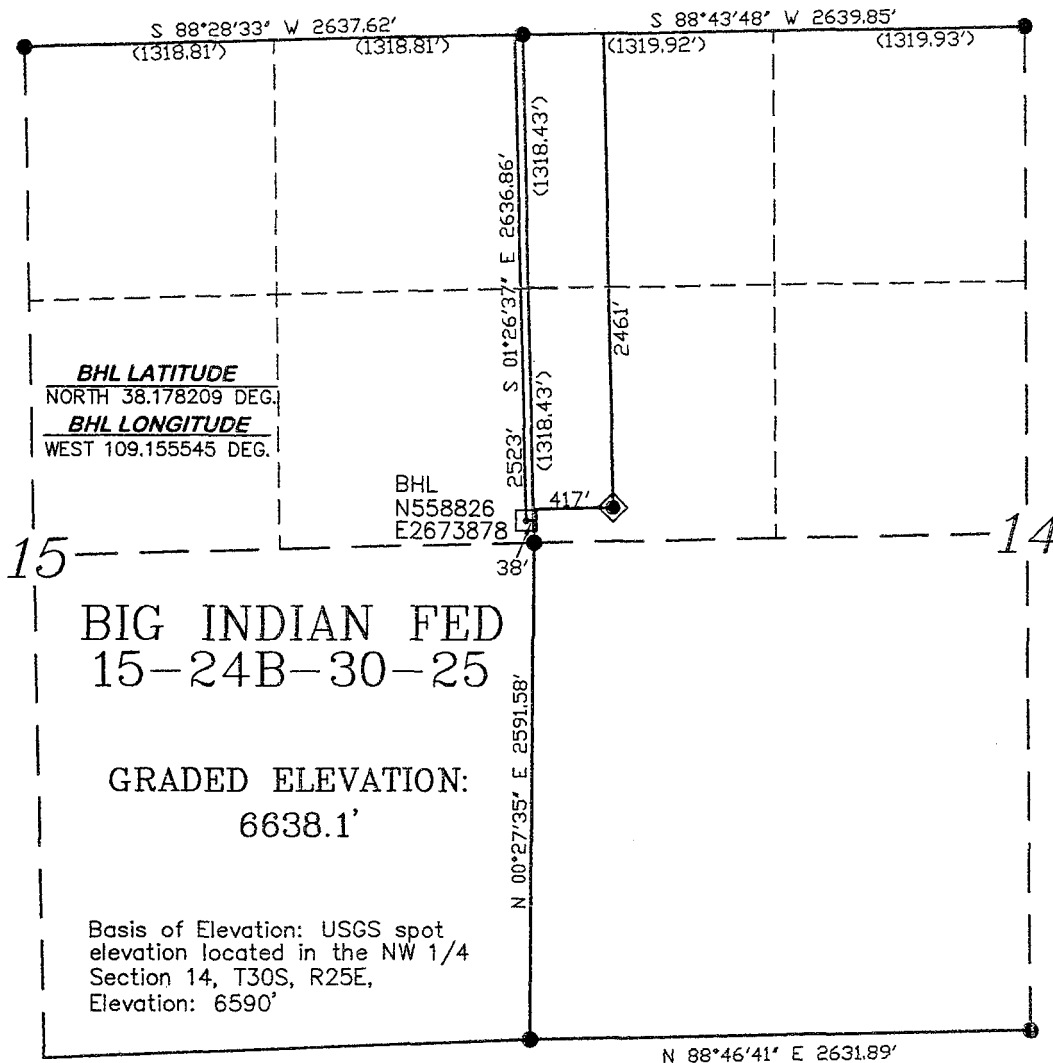
CONDITIONS OF APPROVAL ATTACHED

RECEIVED

JUN 09 2008

DIV. OF OIL, GAS & MINING

**R. 25 E.**



SCALE: 1" = 1000'

**T. 30 S.**

**LATITUDE (NAD 27)**  
NORTH 38.178376 DEG.  
**LONGITUDE (NAD 27)**  
WEST 109.153963 DEG.  
**LATITUDE (NAD 83)**  
NORTH 38.178366 DEG.  
**LONGITUDE (NAD 83)**  
WEST 109.154628 DEG.

**NORTHING**  
558897.81  
**EASTING**  
2674331.12

**DATUM**  
SPCS UT SOUTH (NAD 27)



**SURVEYOR'S STATEMENT**

I, Brian L. Forbes, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on OCTOBER 18, 2007, and it correctly shows the location of BIG INDIAN FED 15-24B-30-25.

**NOTES**

- ◆ WELL LOCATION
- FOUND MONUMENT (BC)
- APPROXIMATE BHL

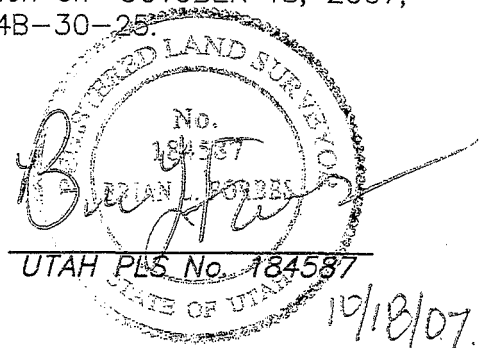


EXHIBIT 1



**DRIFFIN & ASSOCIATES, INC.**

1414 ELK ST., SUITE 202  
ROCK SPRINGS, WY 82901  
(307) 362-5028

SCALE: 1" = 1000'  
JOB No. 15043  
DATE: 10/18/07

**PLAT OF DRILLING LOCATION  
FOR  
ENCANA OIL & GAS (USA) INC.**

**2461' F/NL & 417' F/WL, SECTION 14,  
T. 30 S., R. 25 E., SALT LAKE B.M.  
SAN JUAN COUNTY, UTAH**

EnCana Oil & Gas (USA), Inc.

**Big Indian Federal 15-24B-30-25**

Lease, Surface: UTU-089097

Bottom-hole: UTU-012450

Big Indian Unit (UTU-63039-X)

Location, Surface: SW/NW Section 14, T30S, R25E

Bottom-hole: SE/NE Section 15, T30S, R25E

San Juan County, Utah

**A COMPLETE COPY OF THIS APPROVED PERMIT and Conditions of Approval shall be maintained on location during all construction and drilling operations, and shall be available to contractors to ensure compliance.**

#### CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that EnCana Oil & Gas (USA), Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UT1005** (Principal – EnCana Oil & Gas (USA), Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of two years from the date of approval. An extension of this permit will be considered only if a written request is received prior to APD expiration. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

A. DRILLING PROGRAM

1. The proposed 3M BOP system is adequate for anticipated conditions. Testing to 2M standards is acceptable. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. The surface casing shall extend at least 50 feet into the Chinle Formation, and shall be cemented to surface.
4. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a *daily summary of activities*, *drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to our understanding of drilling conditions.*

B. SURFACE

1. Cultural resource sites identified in the inventory reports prepared by Four Corners Archaeological Services (4-CAS Report Nos. 2615 and 2616), will be avoided during all phases of the project.
2. In order to protect watershed values, no construction or drilling operations will be authorized between November 1 and April 30. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
3. In order to protect wintering big game animals, no construction or drilling operations will be authorized between November 1 and May 15. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
4. The operator will be responsible for weed control on the disturbed areas within the limits of the well pad and road construction. The operator will be responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spud. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spud, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Moab Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Moab Field Office or the appropriate surface managing agency.

## TABLE 1 NOTIFICATIONS

Notify Ben Kniola (435-259-2127) BLM Moab Field Office:

2 days prior to commencement of dirt work, construction and reclamation.

Notify Jeff Brown (435-587-1525) BLM Monticello Field Office for the following:

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOPE.

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer      Office: 435-259-2117  
Home: 435-259-2214

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: Encana Oil & Gas (USA) Inc  
Address: 370 17th Street Suite 1700  
city Denver  
state Co zip 80202

Operator Account Number: N 2175

Phone Number: (720) 876-3219

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303731883	Big Indian Fed 15-24B-30-25		SWNW	14	30S	25E	San Juan
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	8124	6/20/2008		6/30/08		
Comments: HNKRT = HRMS BHL = Sec 15 SENE —							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

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**JUN 25 2008**

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

DIV. OF OIL, GAS & MINING

Susan Guidry  
Name (Please Print)  
[Signature]  
Signature  
Operations Tech 6/23/08  
Title Date



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB NO. 1004-0137

Expires: November 30, 2000

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Dry <input type="checkbox"/> Other: _____		5. Lease Serial No. UTU 089097	
1b. Type of Completion: New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. <input type="checkbox"/> Other: _____		6. If Indian, Allottee or Tribe Name Big Indi	
2. Name of Operator EnCana Oil & Gas (USA) Inc.		7. Unit or CA Agreement Name and No. Big Indian Fed 15-24B-30-25	
3. Address 370 Seventeenth Street, Suite 1700, Denver, CO 80202 (720) 876-3219		8. Lease Name and Well No. Big Indian Fed 15-24B-30-25	
4. Location of Well (Report location clearly and in accordance with Federal requirements) At Surface 2461' FNL & 417' FWL At top prod. interval reported below At total depth 2496' FNL 0034' FEL SENE S-15 T30S R2SE		9. API Well No. 43-037-31883	
14. Date Spudded 06/20/08		15. Date T.D. Reached 07/06/2008	
16. Date Completed (prod) D&A <input type="checkbox"/> Ready to Prod. <input checked="" type="checkbox"/> 7/22/08 per OPR		17. Elevations (DF, RKB, RT, GL) *	
18. Total Depth: MC MD 4110' TVD 4064'		19. Plug Back T.D.: MD TVD	
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit Copy of each) Triple Combo	
22. Was Well Cored? No <input type="checkbox"/> Yes <input type="checkbox"/> (Submit analysis) Was DST run? No <input type="checkbox"/> Yes <input type="checkbox"/> (Submit report) Directional Survey? No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> (Submit copy)			

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Skis & Type of Cement	Slurry vol. (BBL)	Cement Top*	Amount Pulled
8.75	5.5/I-80	17	0	4097		520sx	733	Cal	
12.25	9.625/I-55	36	0	2407		420 sx	1223	Cal	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	3,548							

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A) HERMOSA			3560'-3648'	0.34	48	
B) LC			3328'-3504'	0.34	48	
C) LC			3488'-3523'	0.34	100	
D)						

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
3974'-3986'	N2 9500 total proppant 28255# 20/40 Ottawa sand
3560'-3648'	N2 8637 total proppant 22265# 20/40 Ottawa sand

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SEP 25 2008

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## 28. Production - Interval A

Date First Prod	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr.	Gas Gravity	Production Method
08/03/2008	08/03/2008	24		5	116	100	API 61.1		
Choke Size	Tbg Press. Flwg./ SI	Csg Press.	24 Hr. Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas:Oil Ratio	Well Status	
31/64	650	700		5	116	100			

## 28a. Production - Interval B

Date First Prod	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr.	Gas Gravity	Production Method
							API		
Choke Size	Tbg Press. Flwg./ SI	Csg Press.	24 Hr. Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas:Oil Ratio	Well Status	

## 28b. Production - Interval C

Date First Prod	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press. Flwg./ SI	Csg Press.	24 Hr. Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas:Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Prod	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press. Flwg./ SI	Csg Press.	24 Hr. Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas:Oil Ratio	Well Status	

## 29. Disposition of Gas ( Solid, used for fuel, vented, etc.)

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Honaker Trail	2308

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)      2. Geologic Report      3. DST Report      4. Directional Survey  
5. Sundry Notice for plugging and cement verification      6. Core Analysis      7. Other:

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print)

Susan Guidry

Title

Operations Tech

Signature

Date

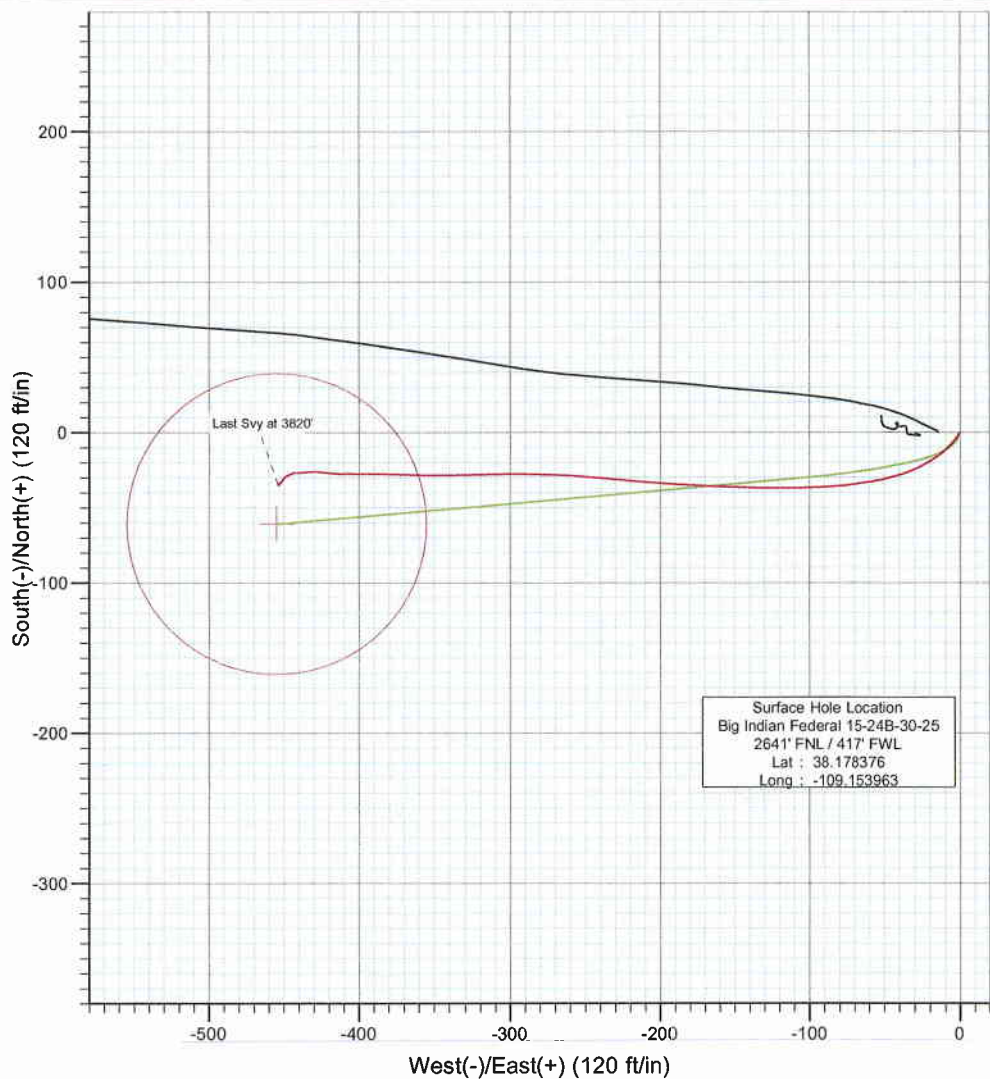
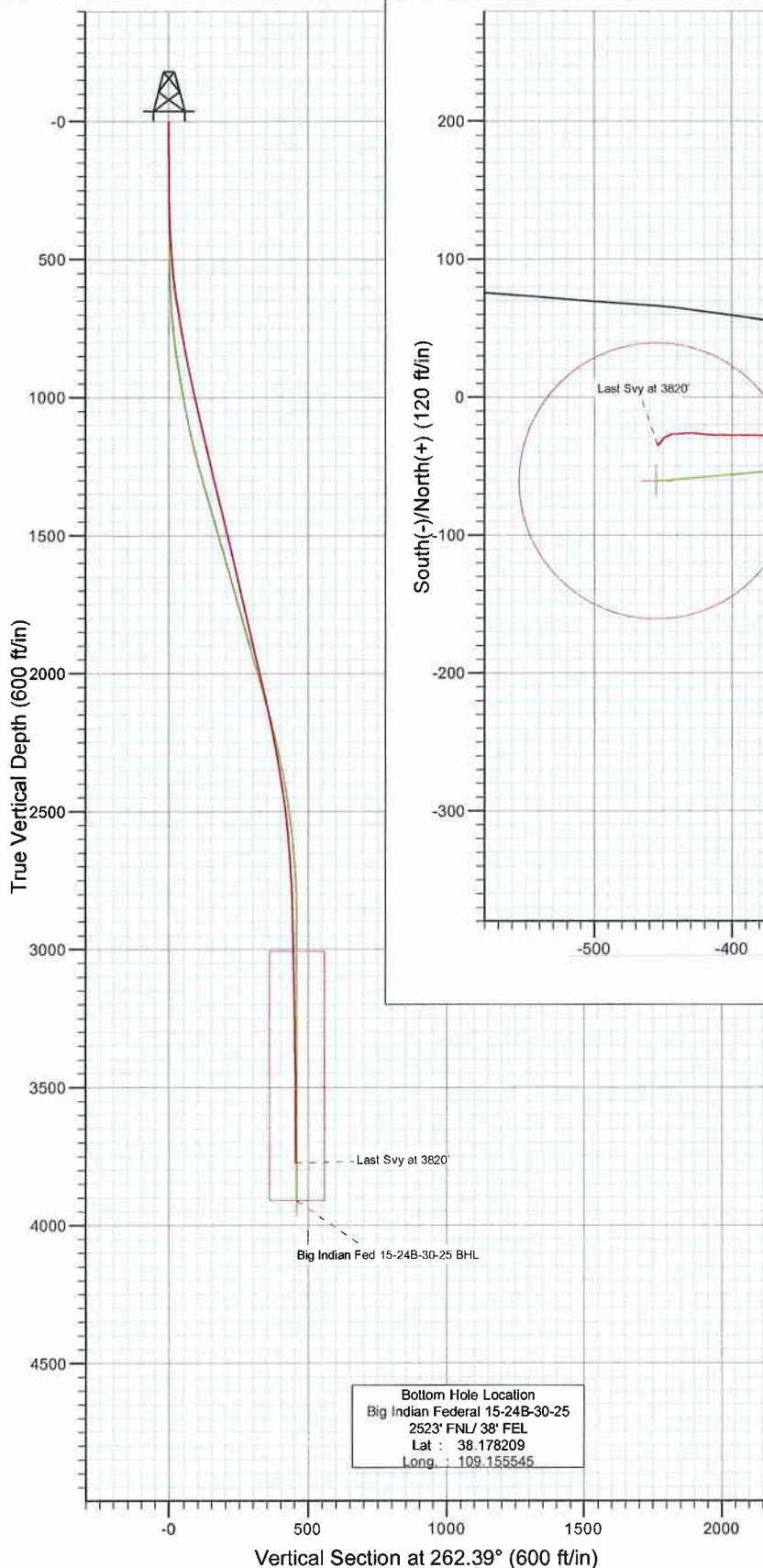
23 Sept 2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Project: Paradox  
 Site: NESW S14-T30S-R25E(Big Indian Federal)  
 Well: Big Indian Federal 15-24B-30-25  
 Wellbore: DD  
 Design: Final Survey



Azimuths to True North  
 Magnetic North: 11.02°

Magnetic Field  
 Strength: 51675.5nT  
 Dip Angle: 64.50°  
 Date: 6/17/2008  
 Model: IGRF200510

**RECEIVED**

**FEB 02 2009**

**DIV. OF OIL, GAS & MINING**

DESIGN DETAILS: DD

85319; BAO  
 KBE @ 6648.0ft (Badger #2)

Target	Azimuth	Origin	N/S	E/W	From TVD
Big Indian Fed 15-24B-30-25 BHL	262.39	Slot	0.0	0.0	0.0

# Directional Plus

## Survey Report

**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Paradox (Nad 27)  
**Site:** NESW S14-T30S-R25E(Big Indian Federal)  
**Well:** Big Indian Federal 15-24B-30-25  
**Wellbore:** DD  
**Design:** DD

**Local Co-ordinate Reference:** Well Big Indian Federal 15-24B-30-25  
**TVD Reference:** KBE @ 6648.0ft (Badger #2)  
**MD Reference:** KBE @ 6648.0ft (Badger #2)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature  
**Database:** EDM 2003.21 US Multi User Db

<b>Project</b>	Paradox (Nad 27)		
<b>Map System:</b>	US State Plane 1927 (Exact solution)	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	NAD 1927 (NADCON CONUS)		
<b>Map Zone:</b>	Utah South 4303		

<b>Site</b>	NESW S14-T30S-R25E(Big Indian Federal)			
<b>Site Position:</b>		<b>Northing:</b>	558,899.02 ft	<b>Latitude:</b> 38.178376
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,674,336.46 ft	<b>Longitude:</b> -109.153963
<b>Position Uncertainty:</b>	0.0 ft	<b>Slot Radius:</b>	in	<b>Grid Convergence:</b> 1.44 °

<b>Well</b>	Big Indian Federal 15-24B-30-25			
<b>Well Position</b>	<b>+N/-S</b>	0.0 ft	<b>Northing:</b>	558,899.03 ft
	<b>+E/-W</b>	0.0 ft	<b>Easting:</b>	2,674,336.46 ft
<b>Position Uncertainty</b>	0.0 ft	<b>Wellhead Elevation:</b>	ft	<b>Ground Level:</b> 6,638.0 ft

<b>Wellbore</b>	DD				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF200510	6/17/2008	11.02	64.50	51,675

<b>Design</b>	DD			
<b>Audit Notes:</b>				
<b>Version:</b>	1.0	<b>Phase:</b>	ACTUAL	<b>Tie On Depth:</b> 0.0
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	262.39

<b>Survey Program</b>	<b>Date</b> 7/10/2008			
<b>From (ft)</b>	<b>To (ft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Description</b>
145.0	3,820.0	Survey #1 (DD)	MWD	Geolink MWD

<b>Survey</b>									
<b>Measured Depth (ft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Vertical Section (ft)</b>	<b>Dogleg Rate (°/100ft)</b>	<b>Build Rate (°/100ft)</b>	<b>Formations / Comments</b>
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	
145.0	0.10	50.10	145.0	0.1	0.1	-0.1	0.07	0.07	
177.0	0.00	56.50	177.0	0.1	0.1	-0.1	0.31	-0.31	
206.0	0.20	188.20	206.0	0.0	0.1	-0.1	0.69	0.69	
235.0	0.50	208.90	235.0	-0.1	0.0	0.0	1.11	1.03	
265.0	0.90	208.80	265.0	-0.4	-0.1	0.2	1.33	1.33	
293.0	1.60	212.60	293.0	-1.0	-0.5	0.6	2.52	2.50	
322.0	2.20	213.90	322.0	-1.8	-1.0	1.2	2.07	2.07	
356.0	2.90	216.20	355.9	-3.0	-1.9	2.2	2.08	2.06	
387.0	3.50	217.10	386.9	-4.4	-2.9	3.4	1.94	1.94	
417.0	4.10	220.30	416.8	-5.9	-4.1	4.9	2.12	2.00	
448.0	4.70	223.30	447.7	-7.7	-5.7	6.7	2.07	1.94	
479.0	5.20	227.20	478.6	-9.6	-7.6	8.8	1.94	1.61	

# Directional Plus

## Survey Report

Company: EnCana Oil & Gas (USA) Inc  
 Project: Paradox (Nad 27)  
 Site: NESW S14-T30S-R25E(Big Indian Federal)  
 Well: Big Indian Federal 15-24B-30-25  
 Wellbore: DD  
 Design: DD

Local Co-ordinate Reference: Well Big Indian Federal 15-24B-30-25  
 TVD Reference: KBE @ 6648.0ft (Badger #2)  
 MD Reference: KBE @ 6648.0ft (Badger #2)  
 North Reference: True  
 Survey Calculation Method: Minimum Curvature  
 Database: EDM 2003.21 US Multi User Db

### Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Formations / Comments
509.0	5.50	230.00	508.5	-11.4	-9.7	11.1	1.33	1.00	
539.0	5.70	230.00	538.3	-13.3	-12.0	13.6	0.67	0.67	
570.0	6.20	232.70	569.2	-15.3	-14.5	16.4	1.85	1.61	
601.0	6.80	233.60	600.0	-17.4	-17.3	19.4	1.96	1.94	
631.0	7.60	237.80	629.7	-19.5	-20.4	22.8	3.19	2.67	
661.0	8.30	240.70	659.5	-21.6	-24.0	26.6	2.69	2.33	
692.0	8.70	244.00	690.1	-23.8	-28.0	30.9	2.03	1.29	
722.0	9.20	248.10	719.7	-25.7	-32.3	35.4	2.70	1.67	
753.0	9.70	251.10	750.3	-27.4	-37.1	40.4	2.26	1.61	
783.0	10.20	253.70	779.9	-29.0	-42.0	45.5	2.24	1.67	
844.0	10.70	258.30	839.9	-31.7	-52.7	56.4	1.59	0.82	
903.0	11.60	261.20	897.8	-33.7	-63.9	67.8	1.80	1.53	
964.0	12.30	264.20	957.4	-35.3	-76.5	80.5	1.53	1.15	
1,027.0	13.00	267.50	1,018.9	-36.3	-90.2	94.2	1.60	1.11	
1,091.0	12.90	268.60	1,081.3	-36.7	-104.6	108.5	0.42	-0.16	
1,154.0	12.90	269.90	1,142.7	-36.9	-118.6	122.5	0.46	0.00	
1,217.0	13.70	270.80	1,204.0	-36.8	-133.1	136.8	1.31	1.27	
1,249.0	14.10	271.10	1,235.1	-36.7	-140.8	144.4	1.27	1.25	
1,281.0	13.30	271.30	1,266.1	-36.5	-148.4	151.9	2.50	-2.50	
1,344.0	13.10	273.30	1,327.5	-36.0	-162.8	166.1	0.79	-0.32	
1,408.0	14.10	272.80	1,389.7	-35.2	-177.8	180.9	1.57	1.56	
1,439.0	14.70	273.50	1,419.7	-34.8	-185.5	188.4	2.02	1.94	
1,471.0	13.90	273.00	1,450.7	-34.3	-193.4	196.2	2.53	-2.50	
1,503.0	13.70	274.70	1,481.8	-33.8	-201.0	203.7	1.41	-0.62	
1,535.0	13.20	274.10	1,512.9	-33.2	-208.4	211.0	1.62	-1.56	
1,566.0	13.10	275.70	1,543.1	-32.6	-215.4	217.9	1.22	-0.32	
1,598.0	12.90	275.70	1,574.3	-31.9	-222.6	224.9	0.62	-0.62	
1,630.0	13.00	275.50	1,605.5	-31.2	-229.7	231.8	0.34	0.31	
1,661.0	13.50	275.70	1,635.6	-30.5	-236.8	238.8	1.62	1.61	
1,693.0	13.60	275.20	1,666.8	-29.8	-244.3	246.1	0.48	0.31	
1,724.0	13.40	274.00	1,696.9	-29.2	-251.5	253.1	1.11	-0.65	
1,759.0	13.30	272.80	1,731.0	-28.7	-259.5	261.1	0.84	-0.29	
1,791.0	13.30	272.80	1,762.1	-28.4	-266.9	268.3	0.00	0.00	
1,823.0	12.80	272.40	1,793.3	-28.0	-274.1	275.4	1.59	-1.56	
1,855.0	12.60	270.50	1,824.5	-27.9	-281.1	282.4	1.45	-0.62	
1,887.0	12.80	271.30	1,855.7	-27.8	-288.2	289.3	0.83	0.62	
1,917.0	13.10	270.60	1,884.9	-27.6	-294.9	296.0	1.13	1.00	
1,949.0	13.50	270.00	1,916.1	-27.6	-302.3	303.3	1.32	1.25	
1,980.0	13.60	268.60	1,946.2	-27.7	-309.5	310.5	1.11	0.32	
2,044.0	13.20	267.90	2,008.5	-28.1	-324.4	325.2	0.67	-0.62	
2,076.0	13.10	268.50	2,039.6	-28.4	-331.6	332.5	0.53	-0.31	
2,108.0	12.90	268.80	2,070.8	-28.5	-338.8	339.6	0.66	-0.62	
2,139.0	12.90	270.80	2,101.0	-28.6	-345.7	346.5	1.44	0.00	
2,170.0	12.60	271.70	2,131.3	-28.4	-352.6	353.2	1.16	-0.97	
2,201.0	12.30	270.70	2,161.5	-28.3	-359.3	359.8	1.19	-0.97	
2,233.0	11.90	271.70	2,192.8	-28.1	-366.0	366.5	1.41	-1.25	
2,263.0	11.50	272.30	2,222.2	-27.9	-372.1	372.5	1.39	-1.33	
2,295.0	10.90	272.00	2,253.6	-27.7	-378.3	378.6	1.88	-1.88	
2,326.0	10.50	271.00	2,284.1	-27.5	-384.0	384.3	1.42	-1.29	
2,378.0	9.40	270.00	2,335.3	-27.5	-393.0	393.2	2.14	-2.12	
2,439.0	8.60	268.40	2,395.5	-27.6	-402.5	402.6	1.37	-1.31	
2,470.0	8.90	269.70	2,426.2	-27.7	-407.3	407.3	1.16	0.97	
2,499.0	8.30	272.30	2,454.8	-27.6	-411.6	411.6	2.46	-2.07	

# Directional Plus

## Survey Report

**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Paradox (Nad 27)  
**Site:** NESW S14-T30S-R25E(Big Indian Federal)  
**Well:** Big Indian Federal 15-24B-30-25  
**Wellbore:** DD  
**Design:** DD

**Local Co-ordinate Reference:** Well Big Indian Federal 15-24B-30-25  
**TVD Reference:** KBE @ 6648.0ft (Badger #2)  
**MD Reference:** KBE @ 6648.0ft (Badger #2)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature  
**Database:** EDM 2003.21 US Multi User Db

### Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Formations / Comments
2,561.0	6.50	277.40	2,516.3	-27.0	-419.5	419.4	3.09	-2.90	
2,591.0	6.20	276.20	2,546.1	-26.6	-422.8	422.6	1.09	-1.00	
2,623.0	5.50	275.70	2,578.0	-26.2	-426.1	425.8	2.19	-2.19	
2,685.0	3.90	266.70	2,639.8	-26.1	-431.1	430.8	2.83	-2.58	
2,717.0	4.00	264.90	2,671.7	-26.2	-433.3	433.0	0.50	0.31	
2,748.0	4.10	262.80	2,702.6	-26.5	-435.5	435.2	0.58	0.32	
2,780.0	3.40	263.90	2,734.5	-26.7	-437.6	437.3	2.20	-2.19	
2,811.0	2.90	263.20	2,765.5	-26.9	-439.3	439.0	1.62	-1.61	
2,842.0	2.60	278.50	2,796.5	-26.9	-440.8	440.4	2.55	-0.97	
2,906.0	0.50	276.50	2,860.4	-26.6	-442.5	442.1	3.28	-3.28	
2,968.0	1.20	250.30	2,922.4	-26.8	-443.4	443.0	1.26	1.13	
3,031.0	1.50	246.60	2,985.4	-27.4	-444.7	444.4	0.50	0.48	
3,095.0	1.10	250.20	3,049.4	-27.9	-446.1	445.8	0.64	-0.62	
3,158.0	1.10	251.50	3,112.4	-28.3	-447.2	447.0	0.04	0.00	
3,188.0	1.50	233.50	3,142.4	-28.6	-447.8	447.7	1.89	1.33	
3,251.0	1.80	233.40	3,205.3	-29.7	-449.3	449.2	0.48	0.48	
3,283.0	1.50	223.50	3,237.3	-30.3	-450.0	450.0	1.29	-0.94	
3,315.0	0.70	204.40	3,269.3	-30.8	-450.3	450.4	2.72	-2.50	
3,378.0	0.70	199.70	3,332.3	-31.5	-450.6	450.8	0.09	0.00	
3,410.0	1.40	213.70	3,364.3	-32.0	-450.9	451.2	2.31	2.19	
3,442.0	1.90	222.80	3,396.3	-32.7	-451.5	451.8	1.76	1.56	
3,473.0	1.70	243.10	3,427.3	-33.3	-452.2	452.7	2.14	-0.65	
3,504.0	1.40	238.20	3,458.3	-33.7	-453.0	453.4	1.06	-0.97	
3,537.0	0.50	256.80	3,491.3	-34.0	-453.5	454.0	2.85	-2.73	
3,568.0	0.30	299.00	3,522.3	-34.0	-453.7	454.2	1.11	-0.65	
3,601.0	0.00	347.90	3,555.3	-33.9	-453.7	454.2	0.91	-0.91	
3,631.0	0.70	89.90	3,585.3	-33.9	-453.5	454.0	2.33	2.33	
3,663.0	0.50	118.10	3,617.3	-34.0	-453.2	453.7	1.10	-0.62	
3,694.0	0.50	115.00	3,648.3	-34.1	-453.0	453.5	0.09	0.00	
3,726.0	0.30	126.90	3,680.3	-34.2	-452.8	453.3	0.67	-0.62	
3,757.0	0.70	235.20	3,711.3	-34.4	-452.9	453.4	2.72	1.29	
3,789.0	1.10	233.20	3,743.3	-34.7	-453.3	453.9	1.25	1.25	
3,820.0	0.90	226.30	3,774.3	-35.0	-453.7	454.3	0.75	-0.65	Last Svy at 3820'

### Targets

#### Target Name

- hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- Shape									
Big Indian Fed 15-24B-3	0.00	0.00	3,910.0	-60.8	-454.8	558,826.85	2,673,883.35	38.178209	-109.155545
- survey misses target center by 138.2ft at 3820.0ft MD (3774.3 TVD, -35.0 N, -453.7 E)									
- Circle (radius 100.0)									

### Survey Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,820.0	3,774.3	-35.0	-453.7	Last Svy at 3820'

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**REGULATORY COMPLETION SUMMARY**Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 07/30/2008      Report # :    12  
 AFE # : 08110047

End Time

Description

Enter the description here

Summary : Put well to sales, first date of sales.

4 mcf/d  
 0 Water  
 0 Oil

Well started with 650 tubing and 700 casing pressure. Well died with in 5 minutes of putting on production.

Flowed well to blow down tank, brought a solid slug of liquid for 15 minutes then died. Left open for 3 hours and the well never came around.

Ordered a foam unit.

Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 07/29/2008      Report # :    11  
 AFE # : 08110047

End Time

Description

6:00 PM

Sfety meeting w/ all on loc. MI Jacobs & clean up loc & PU any thing left on loc.

Summary : Sfety meeting w/ all on loc. MI Jacobs & clean up loc & PU any thing left on loc.

Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 07/22/2008      Report # :    10  
 AFE # : 08110047

End Time

Description

11:00 AM

Safety meeting w/ all on loc. Fix wire line truck & work tools, (tools are free) RIH w/ speer & punch hole in plug, POOH. RIH w/ JDC & fish tbq plug, & POOH & RDMO Phoenix slickline. Clean well up to tank & RDMO LEED #708. Turn well over to production.

Summary : Safety meeting w/ all on loc. Fix wire line truck & work tools, (tools are free) RIH w/ speer & punch hole in plug, POOH. RIH w/ JDC & fish tbq plug, & POOH & RDMO Phoenix slickline. Clean well up to tank & RDMO LEED #708. Turn well over to production.

**RECEIVED****OCT 06 2008****DIV. OF OIL, GAS & MINING**

# REGULATORY COMPLETION SUMMARY



Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 08/04/2008      Report # :    16      End Time      Description  
AFE # : 08110047      Enter the description here

Summary : Flow back crew watching this well,  
flowing to frac tank as needed to keep the  
well unloaded.

Hardley any sand at all is flowing back.

Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 08/03/2008      Report # :    15      End Time      Description  
AFE # : 08110047      Enter the description here

Summary : Ace West foamed this well again, fluid  
came steady for most of the day.  
Brought back 100 bbls of fluid. Well has  
started to flow against line pressure.  
Flow back crew watching the casing and  
flow rate. Unloading sand separator and  
well to blow down tank as needed to keep  
the well from logging off.

Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 08/02/2008      Report # :    14      End Time      Description  
AFE # : 08110047      Enter the description here

Summary : Ace West foamed this well again, fluid  
came steady for most of the day.  
Brought back 115 bbls of fluid. Well  
would not produce against line pressure.  
Drop a few soap sticks and try again  
tomorrow.

Well Name : **Big Indian Fed 15-24B-30-25**

API : 43037318830000

Area : Big Indian

Ops Date : 08/01/2008      Report # :    13      End Time      Description  
AFE # : 08110047      Enter the description here

Summary : Ace West Foamed this well for a few  
hours, brought back 50 bbls of fluid.  
When we were finished, casing had 150  
psi and tubing was down to 0. Drop a few  
soap sticks and see what happens in the  
morning.

**RECEIVED**

**OCT 06 2008**

**DIV. OF OIL, GAS & MINING**



Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

ROUTING

CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**5/14/2010**

**FROM: (Old Operator):**

N2175-EnCana Oil & Gas (USA) Inc.  
 370 17th Street, Suite 1700  
 Denver, CO 80202  
 Phone: 1 (303) 623-2300

**TO: ( New Operator):**

N3670-Patara Oil & Gas, LLC  
 333 Clay Street, Suite 3960  
 Houston, TX 77002  
 Phone: 1 (713) 357-7171

**CA No.**

**Unit:**

**BIG INDIAN**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/11/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/11/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/11/2010
- a. Is the new operator registered in the State of Utah: Business Number: 7655540-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: \* \* requested 9/27/10
- 5b. Inspections of LA PA state/fee well sites complete on: \* \* requested 9/27/10
- 5c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010  
 Lisbon B-816 only

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 9/14/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/14/2010
- Bond information entered in RBDMS on: 9/14/2010
- Fee/State wells attached to bond in RBDMS on: 9/14/2010
- Injection Projects to new operator in RBDMS on: 9/14/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: 5/11/2010

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000428
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number RLB0013207 & B006008
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: ENCANA OIL & GAS (USA) INC. <i>N2175</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 370 17th Street, Suite 1700 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 623-2300		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List COUNTY:		8. WELL NAME and NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective May 4, 2010 Patara Oil & Gas LLC, 333 Clay Street, Suite 3960, Houston, TX 77002, will take over completions and operations and is designated as agent operator for the subject wells on the attached list.

Bond coverage for all activities will be covered by Patara's BLM Statewide Oil & Gas Bond No. UTB000428 and UDOGM Bond No. Pending. *RLB0013207 + B006008*

Patara Oil & Gas LLC, Lane M. Kincannon, Vice-President, Land & Business Development *N3670*

Signature *[Signature]* Date 5/4/2010

NAME (PLEASE PRINT) Ricardo D. Gallegos

TITLE Attorney-in-Fact

SIGNATURE *[Signature]*

DATE 5/4/2010

(This space for State use only)

APPROVED 9/14/2010  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

*May 11 2010 ER*

DIV. OF OIL, GAS & MINING

ENCANA O-G (N2175) to PATARA O-G (N3670)  
effective May 4, 2010  
BIG INDIAN

well_name	sec	twp	rng	api	entity	lease	well	stat	C
BIG INDIAN UNIT 1	33	290S	240E	4303716219	8122	Federal	OW	S	
BIG INDIAN 4	14	300S	250E	4303716221	8124	Federal	GW	S	
					8124				
BIG INDIAN FED 14-21-30-25	14	300S	250E	4303731850	16377	Federal	GW	P	
BIG INDIAN FED 15-24-30-25	14	300S	250E	4303731859	8124	Federal	GW	S	
BIG INDIAN FED 14-42-30-25	14	300S	250E	4303731860	8124	Federal	GW	P	
BIG INDIAN FED 15-24B-30-25	14	300S	250E	4303731883	8124	Federal	GW	S	
BIG INDIAN FED 23-13B-30-25	23	300S	250E	4303731884		Federal	GW	APD	C
BIG INDIAN FED 23-13-30-25	23	300S	250E	4303731885		Federal	GW	APD	C

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

ROUTING

CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**11/1/2012**

<b>FROM: (Old Operator):</b> N3670- Patara Oil & Gas, LLC 600 17th Street, Suite 1900S Denver, CO 80202  Phone: 1 (303) 825-0685	<b>TO: ( New Operator):</b> N3645- CCI Paradox Upstream, LLC 600 17th Street, Suite 1900S Denver, CO 80202  Phone: 1 (303) 825-0685
---	--

CA No.				Unit:	Big Indian			
WELL NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 1/23/2013
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/7/2013
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/12/2013
- a. Is the new operator registered in the State of Utah: Business Number: 8523441-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: Not Yet
- 5b. Inspections of LA PA state/fee well sites complete on: N/A
- 5c. Reports current for Production/Disposition & Sundries on: 2/12/2013
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 2/12/2013
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/12/2013
- Bond information entered in RBDMS on: 2/7/2013
- Fee/State wells attached to bond in RBDMS on: 2/12/2013
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: 2/4/2013

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: 105865919
- Indian well(s) covered by Bond Number: N/A
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 105865922
- 3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

Patara Oil Gas, LLC (N3670) to CCI Paradox Upstream, LLC (N3945)

Effective 11/1/2012

Big Indian Unit

Well Name	Section	TWN	RNG	API Number	Entity	Lease Type	Well Type	Well Status
BIG INDIAN FED 23-13B-30-25	23	300S	250E	4303731884		Federal	GW	APD
BIG INDIAN FED 23-13-30-25	23	300S	250E	4303731885		Federal	GW	APD
BIG INDIAN FED 14-42-30-25	14	300S	250E	4303731860	8124	Federal	GW	P
BIG INDIAN UNIT 1	33	290S	240E	4303716219	8122	Federal	OW	S
BIG INDIAN 4	14	300S	250E	4303716221	8124	Federal	GW	S
BIG INDIAN FED 14-21-30-25	14	300S	250E	4303731850	8124/16377	Federal	GW	S
BIG INDIAN FED 15-24-30-25	14	300S	250E	4303731859	8124	Federal	GW	S
BIG INDIAN FED 15-24B-30-25	14	300S	250E	4303731883	8124	Federal	GW	S

RECEIVED

JAN 23 2013

FORM 9

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

DIV. OF OIL, GAS &amp; MINING

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Multiple Well Transfer</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: n/a
2. NAME OF OPERATOR: Patara Oil & Gas LLC N3670		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S City Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
PHONE NUMBER: (303) 825-0685		8. WELL NAME and NUMBER: Multiple
4. LOCATION OF WELL FOOTAGES AT SURFACE: n/a		9. API NUMBER: n/a
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: n/a

COUNTY: San Juan, UT

STATE:

UTAH

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/1/2012	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Patara Oil & Gas LLC (Patara) hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, being effective November 1, 2012; CCI Paradox Upstream LLC (CCI).

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

NAME (PLEASE PRINT) <u>Christopher A. Noonan</u>	TITLE <u>Regulations &amp; Production Reporting Supervisor</u>
SIGNATURE <u><i>Christopher A. Noonan</i></u>	DATE <u>1/18/13</u>

(This space for State use only)

APPROVED

FEB 12 2013

(5/2000)

DIV. OF OIL, GAS &amp; MINING

(See Instructions on Reverse Side)

BY: Rachel Medina

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Multiple Well Transfer</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: n/a
2. NAME OF OPERATOR: CCI Paradox Upstream LLC <u>N3945</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>n/a</u>		8. WELL NAME and NUMBER: <u>Multiple</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: n/a
COUNTY: <u>San Juan, UT</u>		10. FIELD AND POOL, OR WILDCAT: n/a
STATE: <u>UTAH</u>		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <u>11/1/2012</u>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI Paradox Upstream LLC (CCI), hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, CCI, being effective November 1, 2012. The assets were previously operated by Patara Oil & Gas LLC (Patara) prior to sale.

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

Bond Number:  
BLM: 105865919  
State: 105865922

NAME (PLEASE PRINT) <u>Christopher A. Noonan</u>	TITLE <u>Regulations &amp; Production Reporting Supervisor</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/6/2012</u>

(This space for State use only)

APPROVED

FEB 12 2013

DIV. OIL GAS & MINING

BY: Rachel Medina

RECEIVED

FEB 07 2013

Div. of Oil, Gas & Mining

# Exhibit I

BLM Form 3160-5 Transfer of Operator

Utah Form 9 Transfer of Operator

State of Utah Upstream Assets

01/09/2013

API Well Number	Operator	Well Name	Well Status	Well Type	Field Name	County	Qtr/Qtr	Section	Township-Range)
✓ 43-037-15049-00-00	PATARA OIL & GAS LLC	LISBON D-616	Shut-In	Oil Well	LISBON	SAN JUAN	NENE	16	30S-24E 1
✓ 43-037-15123-00-00	PATARA OIL & GAS LLC	LISBON B-615	Producing	Oil Well	LISBON	SAN JUAN	NENW	15	30S-24E 2
✓ 43-037-15769-00-00	PATARA OIL & GAS LLC	LISBON B912	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	12	30S-24E 3
✓ 43-037-16219-00-00	PATARA OIL & GAS LLC	BIG INDIAN UNIT 1	Shut-In	Oil Well	BIG INDIAN (MADISON)	SAN JUAN	SENE	33	29S-24E 11
✓ 43-037-16221-00-00	PATARA OIL & GAS LLC	BIG INDIAN 4	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSW	14	30S-25E 5
✓ 43-037-16237-00-00	PATARA OIL & GAS LLC	LISBON A-715	Inactive	Water Disposal Well	LISBON	SAN JUAN	SWNW	15	30S-24E 6
✓ 43-037-16240-00-00	PATARA OIL & GAS LLC	LISBON B-613	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	13	30S-24E 7
✓ 43-037-16242-00-00	PATARA OIL & GAS LLC	LISBON B-616	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	16	30S-24E 8
✓ 43-037-16244-00-00	PATARA OIL & GAS LLC	BELCO ST 4 (LISBON B-816)	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	16	30S-24E 9
✓ 43-037-16245-00-00	PATARA OIL & GAS LLC	LISBON C-69	Shut-In	Oil Well	LISBON	SAN JUAN	NWNE	9	30S-24E 10



✓ 43-037-16247-00-00	PATARA OIL & GAS LLC	LISBON C-94	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	4	30S-24E 11
✓ 43-037-16250-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E 12
✓ 43-037-16251-00-00	PATARA OIL & GAS LLC	LISBON D-89	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	9	30S-24E 13
43-037-16469-00-00	PATARA OIL & GAS LLC	LISBON U B-610	Producing	Oil Well	LISBON	SAN JUAN	NENW	10	30S-24E 14
43-037-16471-00-00	PATARA OIL & GAS LLC	NW LISBON USA A-2 (D-810)	Producing	Gas Well	LISBON	SAN JUAN	NESE	10	30S-24E 15
43-037-30054-00-00	PATARA OIL & GAS LLC	LISBON B-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	4	30S-24E 16
43-037-30082-00-00	PATARA OIL & GAS LLC	LISBON B-814	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	14	30S-24E 17
43-037-30317-00-00	PATARA OIL & GAS LLC	FEDERAL 15-25	Shut-In	Gas Well	WILSON CANYON	SAN JUAN	SWSE	25	29S-23E 18
43-037-30693-00-00	PATARA OIL & GAS LLC	LISBON C-99	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	9	30S-24E 19
43-037-30694-00-00	PATARA OIL & GAS LLC	LISBON U D-610	Shut-In	Gas Well	LISBON	SAN JUAN	NENE	10	30S-24E 20
43-037-30695-00-00	PATARA OIL & GAS LLC	LISBON B-94	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	4	30S-24E 1
43-037-31014-00-00	PATARA OIL & GAS LLC	LISBON UNIT A-911	Producing	Gas Well	LISBON	SAN JUAN	SWSW	11	30S-24E 2
43-037-31034-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-716	Shut-In	Oil Well	LISBON	SAN JUAN	SENE	16	30S-24E 3
43-037-31323-00-00	PATARA OIL & GAS LLC	LISBON C-910	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	10	30S-24E 4
43-037-31351-00-00	PATARA OIL & GAS LLC	LISBON B-614A	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E 5
43-037-31433-00-00	PATARA OIL & GAS LLC	LISBON B-810	Producing	Oil Well	LISBON	SAN JUAN	NESW	10	30S-24E 6

43-037-31829-00-00	PATARA OIL & GAS LLC	BIG INDIAN 35-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	35	29S-24E 7
43-037-31831-00-00	PATARA OIL & GAS LLC	BULL HORN U 10-43	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSE	10	30S-25E 8
43-037-31838-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-14-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	36	29S-24E 9
43-037-31843-00-00	PATARA OIL & GAS LLC	BULL HORN FED 9-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	9	30S-25E 30
43-037-31848-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 1
43-037-31849-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 2
43-037-31850-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 3
43-037-31853-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-6-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LOT6	5	30S-25E 4
43-037-31854-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-31-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	31	29S-25E 5
43-037-31855-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12-29-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 6
43-037-31856-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 7
43-037-31859-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 8
43-037-31860-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-42-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	14	30S-25E 9
43-037-31861-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-42-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	10	30S-25E 40
43-037-31864-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-31-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 1
43-037-31877-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 2

43-037-31878-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 3
43-037-31883-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24B-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 4
43-037-31884-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13B-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 5
43-037-31885-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 6
43-037-31891-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-13-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 7
43-037-31893-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 30-41-29-25	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSW	30	29S-25E 8
43-037-31897-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-10-30-25	Spudded (Drilling commenced: Not yet completed)	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LT10	5	30S-25E 9
43-037-31901-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-43-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSE	25	29S-24E 10
43-037-31902-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-41-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWSW	25	29S-24E 1
43-037-31903-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-31-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	25	29S-24E 2
43-037-31904-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-34-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NESW	26	29S-24E 3

43-037-31905-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-23-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWNE	26	29S-24E 4
43-037-31906-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-44-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESE	31	29S-25E 5
43-037-31907-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-33-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSE	31	29S-25E 4
43-037-31909-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-22-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENW	31	29S-25E 7
43-037-31910-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-11-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWNW	31	29S-25E 8
43-037-50008-00-00	PATARA OIL & GAS LLC	CISCO STATE 36-13	Temporarily-Abandoned	Gas Well	WILDCAT	SAN JUAN	NWNE	36	31S-24E 9
43-037-50010-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 4-20-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWNW	4	30S-25E 60
43-037-50012-00-00	PATARA OIL & GAS LLC	Lisbon 11-32MC	Returned APD (Unapproved)	Oil Well	UNDESIGNATED	SAN JUAN	SWNE	11	30S-24E 1
43-037-50013-00-00	PATARA OIL & GAS LLC	Lisbon 14-11MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 2
43-037-50014-00-00	PATARA OIL & GAS LLC	Lisbon 10-44MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 3

43-037-50015-00-00	PATARA OIL & GAS LLC	Lisbon 3-32MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NESE	4	4 30S-24E
43-037-50016-00-00	PATARA OIL & GAS LLC	Lisbon 11-33MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NENW	14	5 30S-24E
43-037-50017-00-00	PATARA OIL & GAS LLC	Lisbon 11-21MC	Approved permit (APD); not yet spudded	Gas Well	LISBON	SAN JUAN	NWSE	10	6 30S-24E
43-037-50018-00-00	PATARA OIL & GAS LLC	Lisbon 3-43MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	SESE	3	7 30S-24E
43-037-50019-00-00	PATARA OIL & GAS LLC	Lisbon 10-33MC	Spudded (Drilling commenced: Not yet completed)	Oil Well	LISBON	SAN JUAN	NWSE	10	8 30S-24E
43-037-50021-00-00	PATARA OIL & GAS LLC	Middle Mesa Fed 31-42-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESW	31	9 29S-25E
43-037-50026-00-00	PATARA OIL & GAS LLC	Middle Mesa Federal 5-8-30-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	5	10 30S-25E